

FIFTY THIRD DAY

MORNING SESSION

Senate Chamber, Olympia
Thursday, March 1, 2018

The Senate was called to order at 11:04 a.m. by the President, Lieutenant Governor Habib presiding. The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Pages Miss Stephanie Claeys and Mr. Alexander Nelson, presented the Colors.

Miss Sophia Babb, accompanied by ASL interpreter Ms. Kristina Estep led the Senate in the Pledge of Allegiance.

The prayer was offered by Rabbi Daniel Weiner of Temple De Hirsch Sinai, Seattle.

MOTION

On motion of Senator Liias, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

On motion of Senator Liias, the Senate advanced to the fourth order of business.

MESSAGES FROM THE HOUSE

February 27, 2018

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2437,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

February 28, 2018

MR. PRESIDENT:

The House has passed:

HOUSE BILL NO. 2858,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

February 28, 2018

MR. PRESIDENT:

The House has passed:

SENATE BILL NO. 6024,
SUBSTITUTE SENATE BILL NO. 6214,
SENATE BILL NO. 6371,
SUBSTITUTE SENATE BILL NO. 6549,
and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

February 28, 2018

MR. PRESIDENT:

The House has passed:

SUBSTITUTE HOUSE BILL NO. 2990,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

February 28, 2018

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2907,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

February 28, 2018

MR. PRESIDENT:

The House has passed:

SENATE BILL NO. 5213,
SUBSTITUTE SENATE BILL NO. 5493,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6143,
SENATE BILL NO. 6180,
SUBSTITUTE SENATE BILL NO. 6222,
SENATE BILL NO. 6319,
SENATE BILL NO. 6369,
ENGROSSED SECOND SUBSTITUTE SENATE BILL
NO. 6529,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

February 28, 2018

MR. PRESIDENT:

The House has passed:

SUBSTITUTE SENATE BILL NO. 6309,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

On motion of Senator Liias, the Senate advanced to the eighth order of business.

MOTION

Senator Carlyle moved adoption of the following resolution:

SENATE RESOLUTION

8724

By Senators Carlyle, Wellman, Billig, Baumgartner, Frockt, Brown, Fain, and Wagoner

WHEREAS, 2018 marks the 70th Anniversary of the founding of the modern State of Israel in the ancestral home of the Jewish people; and

WHEREAS, On November 29, 1947, the United Nations General Assembly voted to partition the British Mandate of Palestine, and through that vote, to create the State of Israel; and

WHEREAS, Israel was officially declared an independent nation on May 14, 1948, in fulfillment of the eternal desire of the Jewish people to return to the land of the historic Kingdom of Israel established 3,000 years ago and to the holy city of Jerusalem; and

WHEREAS, The modern State of Israel was born out of the ashes of the Holocaust and World War II where the death of six million Jews did not eliminate the will of a people to seek dignity in life and a place of respect and recognition among the people of the civilized world; and

WHEREAS, The people of Israel have established a vibrant, pluralistic, democratic political system, including freedom of speech, association, and religion; a vigorously free press; free,

fair, and open elections; the rule of law; a fully independent judiciary; and other democratic principles and practices; and

WHEREAS, Israel has developed some of the leading universities in the world, and eight Israeli citizens have been awarded the Nobel Prize; and

WHEREAS, Israel has developed an advanced, entrepreneurial economy, is among the world's leaders in the high-tech industry, and is at the forefront of research and development in the field of renewable energy sources; and

WHEREAS, Israel regularly sends humanitarian aid, search-and-rescue teams, mobile hospitals, and other emergency supplies to help victims of disasters around the world, including the 1994 Rwandan civil war, the 1998 bombing of the United States Embassy in Kenya, the 1999 earthquakes in Turkey, the 2004 Indian Ocean tsunami, the 2005 hurricanes along the southern coast of the United States, and the 2007 fires in Greece; and

WHEREAS, Successive leaders of Israel have sought to achieve peace with Israel's Arab neighbors; and

WHEREAS, Israel has established peaceful bilateral relations with neighboring Egypt and Jordan and has made its desire to establish peaceful relations with all Arab states abundantly clear; and

WHEREAS, For six decades, the United States and Israel have maintained a special relationship based on mutually respected Judeo-Christian values, common strategic interests, and moral bonds of friendship and mutual respect; and

WHEREAS, Washington State and Israel share a dynamic and growing trade relationship upon which the economies of Israel and Washington State rely; and

WHEREAS, The people of Washington State share an affinity with the people of Israel and view Israel as a strong and trusted ally;

NOW, THEREFORE, BE IT RESOLVED, That the Senate pause in its deliberations to congratulate the State of Israel upon the occasion of the 70th Anniversary of its independence and reaffirm the bonds of friendship and cooperation between the State of Washington and Israel; and

BE IT FURTHER RESOLVED, That the Senate commend the people of Israel for their remarkable achievements in building a new state and a rule of law for everyone; and

BE IT FURTHER RESOLVED, That the Senate extend its warmest congratulations and best wishes to the State of Israel and the Israeli people for a peaceful, prosperous, and successful future.

Senators Carlyle, Baumgartner, Wellman, Bailey, Frockt, Angel, Braun and O'Ban spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8724.

The motion by Senator Carlyle carried and the resolution was adopted by voice vote.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced Consul General Mr. Shlomi Kauffman from the Israeli General Consulate in San Francisco who was seated in the gallery.

MOTION TO LIMIT DEBATE

Pursuant to Rule 29, on motion of Senator Liias and without objection, senators were limited to speaking but once and for no more than three minutes on each question under debate for the remainder of the day by voice vote.

MOTION

On motion of Senator Liias, the Senate reverted to the fifth order of business.

INTRODUCTION AND FIRST READING

SB 6622 by Senators Fortunato and Wagoner

AN ACT Relating to a voluntary active shooter response training program for schools; adding a new section to chapter 28A.150 RCW; creating a new section; and making appropriations.

Referred to Committee on Law & Justice.

SB 6625 by Senator Sheldon

AN ACT Relating to a study of the presence, impact, and removal of filamentous fungi from the capitol dome; creating new sections; and providing an expiration date.

Referred to Committee on State Government, Tribal Relations & Elections.

SB 6626 by Senator Baumgartner

AN ACT Relating to reducing state property taxes by excess state revenue growth; and adding a new section to chapter 84.55 RCW.

Referred to Committee on Ways & Means.

SB 6627 by Senator Baumgartner

AN ACT Relating to reducing the state property taxes payable in calendar years 2018 and 2019; amending RCW 84.52.065, 84.56.020, and 36.35.110; and declaring an emergency.

Referred to Committee on Ways & Means.

ESHB 2437 by House Committee on Finance (originally sponsored by Representatives Robinson, Tharinger, Macri, Ryu, Kagi, Pollet, Ormsby, Doglio, Santos and Tarleton)

AN ACT Relating to encouraging investments in affordable and supportive housing; and adding a new section to chapter 82.14 RCW.

Referred to Committee on Ways & Means.

HB 2653 by Representatives Fey, Orcutt and McBride

AN ACT Relating to modifying the alternative fuel vehicle sales and use tax exemptions for the purposes of expanding the exemptions and amending related provisions; amending RCW 82.08.809; reenacting RCW 82.12.809; creating a new section; and declaring an emergency.

Referred to Committee on Transportation.

SUPPLEMENTAL INTRODUCTION AND FIRST READING

HB 2858 by Representatives Johnson, Chandler, Appleton, McCabe and Haler

AN ACT Relating to allowing excess local infrastructure financing revenues to be carried forward; amending RCW 39.102.020; and repealing 2010 c 164 s 13, 2009 c 518 s 25, 2009 c 267 s 9, 2008 c 209 s 2, and 2007 c 229 s 17 (uncodified).

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Referred to Committee on Finance.

ESHB 2907 by House Committee on Early Learning & Human Services (originally sponsored by Representatives Goodman, Frame, Kagi and Doglio)

AN ACT Relating to confinement in juvenile rehabilitation facilities; amending RCW 72.01.410, 72.01.410, 13.40.300, and 13.40.300; creating new sections; providing an effective date; and providing an expiration date.

Referred to Committee on Ways & Means.

SHB 2990 by House Committee on Transportation (originally sponsored by Representatives Fey, Young and Muri)

AN ACT Relating to the Tacoma Narrows bridge debt service payment plan; amending RCW 47.46.110; and adding new sections to chapter 47.46 RCW.

Referred to Committee on Transportation.

MOTION

On motion of Senator Liias, all measures listed on the Introduction and First Reading report and Supplemental Introduction and First Reading report were referred to the committees as designated.

MOTION

On motion of Senator Liias, the Senate advanced to the sixth order of business.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2970, by House Committee on Transportation (originally sponsored by Representatives Hudgins, Morris, Kloba and Muri)

Establishing an autonomous vehicle work group.

The measure was read the second time.

MOTION

Senator Hobbs moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 47.01 RCW to read as follows:

The commission must convene an executive and legislative work group to develop policy recommendations to address the operation of autonomous vehicles on public roadways in the state, subject to the availability of amounts appropriated for this specific purpose.

(1)(a)(i) Executive branch membership of the work group must include, but is not limited to: The governor or his or her designee or designees, the insurance commissioner or his or her designee or designees, the director of the department of licensing or his or her designee or designees, the secretary or his or her designee or designees, the chief of the Washington state patrol or his or her designee or designees, and the director of the traffic safety

commission or his or her designee or designees.

(ii) Executive branch membership of the work group may also include: The assistant secretary of the department of social and health services aging and long-term support administration or his or her designee or designees and the deputy director of the department of enterprise services who oversees fleet operations or his or her designee or designees.

(b) The president of the senate shall appoint two interested members from each of the two largest caucuses of the senate. The speaker of the house of representatives shall appoint two interested members from each of the two largest caucuses of the house of representatives.

(c) The commission may invite additional participation on an ongoing, recurring, or one-time basis from individuals representing additional state agencies, local and regional governments, local law enforcement agencies, transit authorities, state colleges and universities, autonomous vehicle technology developers, motor vehicle manufacturers, insurance associations, network providers, software development companies, and other relevant stakeholders as appropriate.

(2) To prepare for the use of autonomous vehicle technology in the state, the work group, while taking into account the transportation system policy goals established in RCW 47.04.280(1), must:

(a) Follow developments in autonomous vehicle technology, autonomous vehicle deployment, and federal, state, and local policies that relate to the operation of autonomous vehicles, including the federal government's recommendations related to vehicle performance guidance for autonomous vehicles, model state policy, and current and possible federal regulatory tools for the regulation of autonomous vehicles. The scope of the work must include autonomous commercial vehicles, in addition to autonomous passenger vehicles;

(b) Explore approaches to the modification of state policy, rules, and laws to further public safety and prepare the state for the emergence and deployment of autonomous vehicle technology. Areas for consideration may include, but are not limited to, manufacturer vehicle testing, vehicle registration and titling requirements, driver's license requirements, rules of the road, criminal law, roadway infrastructure, traffic management, transit, vehicle insurance, tort liability, cybersecurity, privacy, advertising, impacts to social services, and impacts to labor and small businesses;

(c) Disseminate information, as appropriate, to all interested stakeholders; and

(d) At the direction of the legislature, engage the public through surveys, focus groups, and other such means, in order to inform policymakers for the purposes of policy development.

(3)(a) The commission must develop and update recommendations annually based on the input provided by the work group. By November 15th of each year, the commission must provide a report to the governor and the relevant committees of the legislature that describes the progress made by the work group and the commission's recommendations.

(b) The recommendations made by the commission may include proposed modifications to state law and rules to address the emergence and deployment of autonomous vehicle technology in the state.

NEW SECTION. Sec. 2. Sections 1 and 3 of this act expire December 31, 2023.

NEW SECTION. Sec. 3. The legislature finds that autonomous vehicle technology is rapidly evolving and that the testing and deployment of this technology is advancing at a rapid pace. Washington state's policies, laws, and rules predate

autonomous vehicle technology and largely have not been developed in consideration of the operation of this technology on roadways in the state. At both the federal and state level, efforts are underway to begin to establish a framework of policy guidance, laws, and rules that will organize and govern the use of autonomous vehicle technology in the United States. The legislature finds that establishing an autonomous vehicle work group, to be convened by the transportation commission, will facilitate state efforts to address the emergence of autonomous vehicle technology. It is the intent of the legislature for the transportation commission to develop recommendations for policy, laws, and rules for the operation of autonomous vehicles, with input from the autonomous vehicle work group, that enable Washington state to address the public policy changes necessitated by the emergence of this technology in an informed, thorough, and deliberate manner. This effort is required because robot cars are coming, but robot policy makers are not."

On page 1, line 2 of the title, after "group;" strike the remainder of the title and insert "adding a new section to chapter 47.01 RCW; creating a new section; and providing an expiration date."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Substitute House Bill No. 2970.

The motion by Senator Hobbs carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Hobbs, the rules were suspended, Substitute House Bill No. 2970 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hobbs and King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2970 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2970 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Absent: Senator Rivers

SUBSTITUTE HOUSE BILL NO. 2970, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced members of the Samish Tribal Chairman Mr. Tom Wooten and his wife Mrs. Kelly Wooten who were seated in the gallery.

MOTION

On motion of Senator Bailey, Senator Rivers was excused.

SECOND READING

ENGROSSED HOUSE BILL NO. 2948, by Representatives Graves, Sullivan, Haler, Hargrove, Pike and Senn

Concerning the responsibilities for state routes in cities or towns.

The measure was read the second time.

MOTION

On motion of Senator Hobbs, the rules were suspended, Engrossed House Bill No. 2948 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2948.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2948 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman and Zeiger

Voting nay: Senators Angel, Baumgartner, Becker and Wilson
Excused: Senator Rivers

ENGROSSED HOUSE BILL NO. 2948, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2692, by House Committee on Transportation (originally sponsored by Representatives Fey, Hayes, Lovick, Rodne, Irwin, Chapman, Stanford, Ortiz-Self, Sawyer, Muri, Kilduff, Smith, Hargrove, Condotta, Jinkins, Goodman and Tarleton)

Concerning the minimum monthly salary paid to Washington state patrol troopers and sergeants.

The measure was read the second time.

MOTION

Senator Hobbs moved that the following committee striking amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.43.380 and 2016 c 28 s 5 are each amended

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to read as follows:

(1) The minimum monthly salary paid to state patrol troopers and sergeants (~~on July 1, 2017,~~) must be competitive with law enforcement agencies within the boundaries of the state of Washington, guided by the results of a survey undertaken in the collective bargaining process during (~~2016~~) each biennium. The salary levels (~~on July 1, 2017,~~) must be guided by the average of compensation paid to the corresponding rank from the Seattle police department, King county sheriff's office, Tacoma police department, Snohomish county sheriff's office, Spokane police department, and Vancouver police department. Compensation must be calculated using base salary, premium pay (a pay received by more than a majority of employees), education pay, and longevity pay. The compensation comparison data is based on the Washington state patrol and the law enforcement agencies listed in this section (~~as of July 1, 2016~~). Increases in salary levels for captains and lieutenants that are collectively bargained must be proportionate to the increases in salaries for troopers and sergeants as a result of the survey described in this section.

(2) By December 1, 2024, as part of the salary survey required in this section, the office of financial management must report to the governor and transportation committees of the legislature on the efficacy of Washington state patrol recruitment and retention efforts. Using the results of the 2016 salary survey as the baseline data, the report must include an analysis of voluntary resignations of state patrol troopers and sergeants and a comparison of state patrol academy class sizes and trooper graduations.

(3) This section expires June 30, 2025."

On page 1, line 2 of the title, after "sergeants;" strike the remainder of the title and insert "amending RCW 43.43.380; and providing an expiration date."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Substitute House Bill No. 2692.

The motion by Senator Hobbs carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Hobbs, the rules were suspended, Substitute House Bill No. 2692 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hobbs, King and Angel spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2692.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2692 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Excused: Senator Rivers

SUBSTITUTE HOUSE BILL NO. 2692, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Ericksen: "Thank you Mr. President I just handed out to everybody on the floor here a little chart showing snow base at Mt. Baker snow resort, ski resort in Whatcom County. And as we get close to the March 8th finishing of the legislative session I just wanna let everybody know that the Mt. Baker Ski Resort has the deepest snow base in North America. We've gotten over 655 inches of snow this year which is 170 inches more than any other ski resort in North America so when you're getting ready after session to go out and enjoy yourselves make sure you come up to Whatcom County and enjoy Mt. Baker Ski Resort with the deepest snow base in all of North America."

SECOND READING

ENGROSSED HOUSE BILL NO. 2808, by Representatives Kirby and Walsh

Concerning vehicle dealer licensing.

The measure was read the second time.

MOTION

On motion of Senator Hobbs, the rules were suspended, Engrossed House Bill No. 2808 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hobbs and King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2808.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2808 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

ENGROSSED HOUSE BILL NO. 2808, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 2786, by Representatives Kilduff and Muri

Concerning membership in the law enforcement officers' and firefighters' retirement system plan 2 for firefighters employed by the department of corrections or the department of social and health services and serving at a prison or civil commitment center

located on an island.

The measure was read the second time.

MOTION

On motion of Senator Liias, the rules were suspended, House Bill No. 2786 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Liias spoke in favor of passage of the bill.

POINT OF INQUIRY

Senator Schoesler: "Thank you Mr. President would the gentleman from the 29th District yield to a question?"

President Habib: "Senator Conway?"

Senator Conway: "Yes, I probably do know what's coming."

President Habib: "Alright, Senator Schoesler."

Senator Schoesler: "Senator Conway, with your vast experience on the Pension Policy Committee and the high value you place on it, could you refresh my memory, did this bill come through the Pension Policy Committee?"

Senator Conway: "Senator Schoesler, no, because it went to the LEOFF 2 Board."

Senator Schoesler: "Thank you, thank you Senator."

The President declared the question before the Senate to be the final passage of House Bill No. 2786.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 2786 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

HOUSE BILL NO. 2786, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2612, by House Committee on Transportation (originally sponsored by Representatives Condotta and Steele)

Concerning tow truck operators.

The measure was read the second time.

MOTION

Senator Hobbs moved that the following committee striking

amendment by the Committee on Transportation be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that efficiency and public safety is served by consolidating the multiple license plates currently required on the vehicles of registered tow truck operators. These registered tow truck operators currently have up to four separate license plates that are required to be displayed on the vehicle at all times. The operators have the highest training and qualifications of any towing operators in Washington state.

(2) The legislature further finds that a single unified license plate with separate endorsement tabs prevents confusion and allows for easy identification and review of tow trucks by law enforcement and the motoring public. The unified license plate also saves resources by reducing the need for license plate production and reduces fraud by limiting access to these commercial license plates.

(3) A unified license plate for registered tow truck operators serves the purposes of Washington residents, the motoring public, and law enforcement, and saves money as well.

NEW SECTION. Sec. 2. A new section is added to chapter 46.55 RCW to read as follows:

(1) If a tow truck, the registered owner of which is a registered tow truck operator, is to conduct transporter business under chapter 46.76 RCW, the license plate that is required to be displayed under RCW 46.16A.030 must contain an indicator tab that the vehicle is licensed to perform transporter services. The fee for an original transporter's license plate indicator tab for a tow truck, the registered owner of which is a registered tow truck operator, is twenty-five dollars. Vehicles that are used to conduct transporter business and are not owned by a registered tow truck operator must follow the requirements of chapter 46.76 RCW.

(2) If a tow truck, the registered owner of which is a registered tow truck operator, is used for a hulk hauler or scrap processor business under chapter 46.79 RCW, the license plate that is required under RCW 46.16A.030 must contain an indicator tab that the vehicle is licensed to perform hulk hauler or scrap processor purposes under the laws of the state of Washington. The fee for a hulk hauler or scrap processor business license plate indicator tab is five dollars for the original tab and two dollars for each additional tab. Vehicles that are used to conduct hulk hauler or scrap processor business and are not owned by a registered tow truck operator must follow the requirements of chapter 46.79 RCW.

(3) If a tow truck, the registered owner of which is a registered tow truck operator, is used for a wrecker business under chapter 46.80 RCW, the license plate displayed that is required under RCW 46.16A.030 must contain an indicator tab that the vehicle is licensed to perform wrecker services. The fee for a wrecker license plate indicator tab is five dollars for the original tab and two dollars for each additional tab. Vehicles that are used to conduct wrecker business and are not owned by a registered tow truck operator must follow the requirements of chapter 46.80 RCW.

(4)(a) The license plate indicator tabs must:

(i) Affix to the license plate required to be displayed under RCW 46.16A.030;

(ii) Clearly identify the business purpose of the licensed vehicle;

(iii) Use some combination of letters and numbers to indicate a vehicle is licensed to conduct transporter business under chapter 46.76 RCW, hulk hauler or scrap processor business under

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chapter 46.79 RCW, or wrecker business under chapter 46.80 RCW; and

(iv) Be approved by the department.

(b) All other requirements concerning registration and display of plates as required under chapter 46.16A RCW may not conflict with this section.

(5) This act does not allow for the use of indicator tabs, authorized in this section, on a special or personalized license plate authorized in chapter 46.18 RCW.

Sec. 3. RCW 46.76.030 and 1967 c 32 s 92 are each amended to read as follows:

Upon receiving an application for transporter's license the director, if satisfied that the applicant is entitled thereto, shall issue a proper certificate of license registration and a distinctive set of license plates or an indicator tab pursuant to section 2 of this act and shall transmit the fees obtained therefor with a proper identifying report to the state treasurer, who shall deposit such fees in the motor vehicle fund. The certificate of license registration and license plates or indicator tab issued by the director shall authorize the holder of the license to drive or tow any motor vehicle or trailers upon the public highways.

Sec. 4. RCW 46.76.060 and 2010 c 8 s 9093 are each amended to read as follows:

Transporter's license plates or indicator tabs pursuant to section 2 of this act shall be conspicuously displayed on all vehicles being delivered by the driveway or towaway methods. These plates or indicator tabs shall not be loaned to or used by any person other than the holder of the license or his or her employees.

Sec. 5. RCW 46.76.065 and 1977 ex.s. c 254 s 1 are each amended to read as follows:

The following conduct shall be sufficient grounds pursuant to RCW 34.05.422 for the director or a designee to deny, suspend, or revoke the license of a motor vehicle transporter:

(1) Using transporter plates or indicator tabs pursuant to section 2 of this act for driveway or towaway of any vehicle owned by such transporter;

(2) Knowingly, as that term is defined in RCW 9A.08.010(1)(b), having possession of a stolen vehicle or a vehicle with a defaced, missing, or obliterated manufacturer's identification serial number;

(3) Loaning transporter plates or indicator tabs;

(4) Using transporter plates or indicator tabs for any purpose other than as provided under RCW 46.76.010; or

(5) Violation of provisions of this chapter or of rules and regulations adopted relating to enforcement and proper operation of this chapter.

Sec. 6. RCW 46.76.067 and 1988 c 239 s 4 are each amended to read as follows:

(1) Any person or organization that transports any mobile home or other vehicle for hire shall comply with this chapter and chapter 81.80 RCW. Persons or organizations that do not have a valid permit or meet other requirements under chapter 81.80 RCW shall not be issued a transporter license or transporter plates or an indicator tab pursuant to section 2 of this act to transport mobile homes or other vehicles. RCW 46.76.065(5) applies to persons or organizations that have transporter licenses or plates or indicator tabs and do not meet the requirements of chapter 81.80 RCW.

(2) This section does not apply to mobile home manufacturers or dealers that are licensed and delivering the mobile home under chapter 46.70 RCW.

Sec. 7. RCW 46.76.080 and 1979 ex.s. c 136 s 96 are each amended to read as follows:

The violation of any provision of this chapter is a traffic infraction. In addition to any other penalty imposed upon a violator of the provisions of this chapter, the director may confiscate any transporter license plates or indicator tabs used in connection with such violation.

Sec. 8. RCW 46.79.060 and 2010 c 8 s 9096 are each amended to read as follows:

The hulk hauler or scrap processor shall obtain a special set of license plates or an indicator tab pursuant to section 2 of this act in addition to the regular licenses and plates required for the operation of vehicles owned and/or operated by him or her and used in the conduct of his or her business. Such special license shall be displayed on the operational vehicles and shall be in lieu of a trip permit or current license on any vehicle being transported. The fee for these plates shall be five dollars for the original plates and two dollars for each additional set of plates bearing the same license number.

Sec. 9. RCW 46.80.060 and 1995 c 256 s 8 are each amended to read as follows:

The vehicle wrecker shall obtain a special set of license plates or an indicator tab pursuant to section 2 of this act in addition to the regular licenses and plates required for the operation of such vehicles. The special plates must be displayed on vehicles owned and/or operated by the wrecker and used in the conduct of the business. The fee for these plates shall be five dollars for the original plates and two dollars for each additional set of plates bearing the same license number. A wrecker with more than one licensed location in the state may use special plates bearing the same license number for vehicles operated out of any of the licensed locations.

NEW SECTION. Sec. 10. This act takes effect June 1, 2019."

On page 1, line 1 of the title, after "operators;" strike the remainder of the title and insert "amending RCW 46.76.030, 46.76.060, 46.76.065, 46.76.067, 46.76.080, 46.79.060, and 46.80.060; adding a new section to chapter 46.55 RCW; creating a new section; prescribing penalties; and providing an effective date."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Transportation to Substitute House Bill No. 2612.

The motion by Senator Hobbs carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Hobbs, the rules were suspended, Substitute House Bill No. 2612 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2612.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2612 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hawkins,

Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senator Hasegawa

SUBSTITUTE HOUSE BILL NO. 2612, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 2087, by Representatives Stambaugh, Riccelli, Orcutt, Hayes, Gregerson and Ormsby

Concerning worker safety on roadways and roadsides.

The measure was read the second time.

MOTION

On motion of Senator Keiser, the rules were suspended, House Bill No. 2087 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Keiser and King spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 2087.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 2087 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

HOUSE BILL NO. 2087, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE JOINT MEMORIAL NO. 4002, by Representatives Riccelli, Clibborn, Johnson, Ormsby, Jinkins, Fitzgibbon, Haler, Reeves, Kilduff, Manweller, Ortiz-Self, Tarleton, Hudgins, Stanford, Chapman, Dolan, Jenkin, Fey and Farrell

Requesting that state route number 395 be named the Thomas S. "Tom" Foley Memorial Highway.

The measure was read the second time.

MOTION

Senator Baumgartner moved that the following floor amendment no. 810 by Senator Baumgartner be adopted:

On page 1, after line 6, insert the following:
"WHEREAS, Samuel Grashio, a native of Spokane, Washington, served in the United States Army Air Forces from 1940 to 1965 with great faith and patriotism; and

WHEREAS, Samuel Grashio fought in the Battle of Bataan in 1942, the first land battle for Americans in World War II; and

WHEREAS, Samuel Grashio's bravery led him to survive the Bataan Death March; and

WHEREAS, Samuel Grashio was part of the only known successful group escape of a Japanese prison camp; and

WHEREAS, Samuel Grashio earned the Distinguished Service Cross and the Silver Star (with cluster) during the war; and

WHEREAS, Samuel Grashio returned to serve his community in a role at Gonzaga University, of which he was an alumnus; and"

On page 1, line 10, after "WHEREAS," strike "His" and insert "Thomas S. Foley's"

On page 1, line 13, after "WHEREAS," strike "He" and insert "Thomas S. Foley"

On page 1, line 16, after "WHEREAS," strike "He" and insert "Thomas S. Foley"

On page 2, beginning on line 13, after "395" strike all material through "his" on line 14 and insert "from Spokane to Ritzville as the "Samuel Grashio Memorial Highway" and from Ritzville to Pasco as the "Thomas S. 'Tom' Foley Memorial Highway" to honor their"

Senators Baumgartner, Padden, Walsh and Schoesler spoke in favor of adoption of the amendment.

Senator Hobbs spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 810 by Senator Baumgartner on page 1, after line 6 to House Joint Memorial No. 4002.

The motion by Senator Baumgartner failed and floor amendment no. 810 was not adopted by rising vote.

MOTION

On motion of Senator Hobbs, the rules were suspended, House Joint Memorial No. 4002 was advanced to third reading, the second reading considered the third and the memorial was placed on final passage.

Senator Hobbs spoke in favor of passage of the memorial.

MOTION

On motion of Senator Saldaña, Senator Carlyle was excused.

The President declared the question before the Senate to be the final passage of House Joint Memorial No. 4002.

ROLL CALL

The Secretary called the roll on the final passage of House Joint Memorial No. 4002 and the memorial passed the Senate by the following vote: Yeas, 40; Nays, 7; Absent, 1; Excused, 1.

Voting yea: Senators Bailey, Becker, Billig, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Braun, Brown, Short, Wagoner, Warnick and Wilson

Absent: Senator Baumgartner

Excused: Senator Carlyle

HOUSE JOINT MEMORIAL NO. 4002, having received the constitutional majority, was declared passed. There being no objection, the title of the memorial was ordered to stand as the title of the act.

MOTION

At 12:41 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

Senator McCoy announced a meeting of the Democratic Caucus.

Senator Becker announced a meeting of the Republican Caucus.

AFTERNOON SESSION

The Senate was called to order at 3:17 p.m. by President Habib.

MOTION

On motion of Senator Liias, the Senate reverted to the first order of business.

REPORTS OF STANDING COMMITTEES

March 1, 2018

SB 6620 Prime Sponsor, Senator Frockt: Improving security in schools and the safety of students. Reported by Committee on Ways & Means

MAJORITY recommendation: That Substitute Senate Bill No. 6620 be substituted therefor, and the substitute bill do pass. Signed by Senators Rolfes, Chair; Frockt, Vice Chair; Billig; Carlyle; Conway; Darneille; Hasegawa; Hunt; Keiser; Mullet; Palumbo; Pedersen; Ranker and Van De Wege.

MINORITY recommendation: Do not pass. Signed by Senators Braun, Ranking Member; Honeyford, Assistant Ranking Member; Bailey; Brown; Schoesler; Wagoner and Warnick.

Referred to Committee on Rules for second reading.

March 1, 2018

EHB 2750 Prime Sponsor, Representative Tharinger: Concerning quality in assisted living facilities. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass as amended by Committee on Ways & Means. Signed by Senators Rolfes, Chair; Frockt, Vice Chair; Billig; Carlyle; Conway; Darneille; Hasegawa; Hunt; Keiser; Mullet; Palumbo; Pedersen; Ranker; Schoesler; Van De Wege and Warnick.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Braun, Ranking Member; Honeyford, Assistant Ranking Member; Bailey; Brown and Wagoner.

Referred to Committee on Rules for second reading.

MOTION

On motion of Senator Liias, all measures listed on the Standing Committee report were referred to the committees as designated.

MOTION

On motion of Senator Liias, the Senate advanced to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2610, by House Committee on Appropriations (originally sponsored by Representatives Peterson, Bergquist, Pollet, Gregerson, Appleton, Valdez, Ryu, Jinkins, Macri, Tarleton, Hudgins, McBride, Doglio, Stonier, Fey, Goodman, Santos, Frame and Stanford)

Creating the hunger-free students' bill of rights act.

The measure was read the second time.

MOTION

Senator Wellman moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 28A.235 RCW to read as follows:

(1)(a) Except as provided otherwise in subsection (2) of this section, each school that participates in the national school lunch program, the school breakfast program, or both, shall annually distribute and collect an application for all households of children in kindergarten through grade twelve to determine student eligibility for free or reduced-price meals. If a parent or guardian of a student needs assistance with application materials in a language other than English, the school shall offer appropriate assistance to the parent or guardian.

(b) If a student who, based on information available to the school, is likely eligible for free or reduced-price meals but has not submitted an application to determine eligibility, the school shall, in accordance with the authority granted under 7 C.F.R. Sec. 245.6(d), complete and submit the application for the student.

(2) Subsection (1) of this section does not apply to a school that provides free meals to all students in a year in which the school does not collect applications to determine student eligibility for free or reduced-price meals.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.235 RCW to read as follows:

(1) Local liaisons for homeless children and youths designated by districts in accordance with the federal McKinney-Vento homeless assistance act 42 U.S.C. Sec. 11431 et seq. must improve systems to identify homeless students and coordinate with the applicable school nutrition program to ensure that each homeless student has proper access to free school meals and that applicable accountability and reporting requirements are satisfied.

(2) Schools and school districts shall improve systems to identify students in foster care, runaway students, and migrant students to ensure that each student has proper access to free school meals and that applicable accountability and reporting requirements are satisfied.

(3) At least monthly, schools and school districts shall directly certify students for free school meals if the students qualify because of enrollment in assistance programs, including but not limited to the supplemental nutrition assistance program, the temporary assistance for needy families, and medicaid.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.235 RCW to read as follows:

If a student has not paid for five or more previous meals, the school shall:

(1) Determine whether the student is categorically eligible for free meals;

(2) If no application has been submitted for the student to determine his or her eligibility for free or reduced-price meals, make no fewer than two attempts to contact the student's parent or guardian to have him or her submit an application; and

(3) Have a principal, assistant principal, or school counselor contact the parent or guardian for the purpose of: (a) Offering assistance with completing an application to determine the student's eligibility for free or reduced-price meals; (b) determining whether there are any household issues that may prevent the student from having sufficient funds for school meals; and (c) offering any appropriate assistance.

NEW SECTION. Sec. 4. A new section is added to chapter 28A.300 RCW to read as follows:

The office of the superintendent of public instruction shall collect, analyze, and promote to school districts and applicable community-based organizations best practices in local meal charge policies that are required by the United States department of agriculture in memorandum SP 46-2016.

NEW SECTION. Sec. 5. A new section is added to chapter 28A.235 RCW to read as follows:

(1) The office of the superintendent of public instruction shall develop and implement a plan to increase the number of schools participating in the United States department of agriculture community eligibility provision for the 2018-19 school year and subsequent years. The office shall work jointly with community-based organizations and national experts focused on hunger and nutrition and familiar with the community eligibility provision, at least two school representatives who have successfully implemented community eligibility, and the state agency responsible for medicaid direct certification. The plan must describe how the office of the superintendent of public instruction will:

(a) Identify and recruit eligible schools to implement the community eligibility provision, with the goal of increasing the participation rate of eligible schools to at least the national average;

(b) Provide comprehensive outreach and technical assistance to school districts and schools to implement the community eligibility provision;

(c) Support breakfast after the bell programs authorized by the legislature to adopt the community eligibility provision;

(d) Work with school districts to group schools in order to maximize the number of schools implementing the community eligibility provision; and

(e) Determine the maximum percentage of students eligible for free meals where participation in the community eligibility provision provides the most support for a school, school district, or group of schools.

(2) Until June 30, 2019, the office of the superintendent of public instruction shall convene the organizations working jointly on the plan monthly to report on the status of the plan and coordinate outreach and technical assistance efforts to schools and school districts.

(3) Beginning in 2018, the office of the superintendent of public instruction shall report annually the number of schools that have implemented the community eligibility provision to the legislature by September 1st of each year. The report shall identify:

(a) Any barriers to implementation;

(b) Recommendations on policy and legislative solutions to overcome barriers to implementation;

(c) Reasons potentially eligible schools and school districts decide not to adopt the community eligibility provision; and

(d) Approaches in other states to adopting the community eligibility provision.

NEW SECTION. Sec. 6. This act may be known and cited as the hunger-free students' bill of rights act."

On page 1, line 1 of the title, after "rights;" strike the remainder of the title and insert "adding new sections to chapter 28A.235 RCW; adding a new section to chapter 28A.300 RCW; and creating a new section."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Engrossed Substitute House Bill No. 2610.

The motion by Senator Wellman carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Wellman, the rules were suspended, Engrossed Substitute House Bill No. 2610 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman, Chase and Walsh spoke in favor of passage of the bill.

Senators Zeiger and Baumgartner spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 2610 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 2610 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 28; Nays, 21; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege, Walsh and Wellman

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Erickson, Fortunato, Hawkins, Honeyford, King, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Warnick, Wilson and Zeiger

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2610, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1539, by House Committee on Education (originally sponsored by Representatives McCabe,

FIFTY THIRD DAY, MARCH 1, 2018

2018 REGULAR SESSION

Orwall, Griffey, Caldier, Senn, Dent, Gregerson, Smith, Kraft, Doglio and Kagi)

Regarding a curriculum for the prevention of sexual abuse of students.

The measure was read the second time.

MOTION

Senator Wellman moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature recognizes that every child should experience emotional and physical development that is free from abuse and neglect. In 2015, Washington child protective services received reports screened in for investigation that alleged the sexual abuse or sexual exploitation, or both, of two thousand six hundred three children. Further, the legislature finds that most sexual assaults are unreported. The legislature also finds that a clear relationship exists between youth victimization and mental health problems and delinquent behavior.

(2) The legislature finds that thirty-one states have enacted Erin's laws. Erin's laws, named in honor of a childhood sexual assault survivor, are intended to help children, teachers, and parents identify sexual abuse, and to provide assistance, referral, or resource information for children and families who are victims of child sexual abuse. The legislation adopted in these states requires the study or development of age-appropriate child sexual abuse identification and prevention.

(3) The legislature finds that the federal every student succeeds act, P.L. 114-95, as signed into law by President Barack Obama on December 10, 2015, provides federal funding that can be used for the implementation of programs established in accordance with Erin's laws.

(4) The legislature, therefore, intends to incorporate curriculum for the prevention of sexual abuse of students in kindergarten through twelfth grade, such as Erin's law, into an existing statewide coordinated program for the prevention of child abuse and neglect.

Sec. 2. RCW 28A.300.150 and 2006 c 263 s 705 are each amended to read as follows:

(1) The superintendent of public instruction shall collect and disseminate to school districts information on and curricula for the coordinated program for the prevention of sexual abuse of students in kindergarten through twelfth grade, child abuse, and neglect (~~(prevention curriculum and)~~) established in RCW 28A.300.160. The superintendent shall also adopt rules ((dealing with)) addressing the prevention of sexual abuse of students in kindergarten through twelfth grade and child abuse for purposes of ((curriculum use)) curricula used in ((the common)) public schools.

(2) Effective July 1, 2018, the superintendent of public instruction and the (~~departments of social and health services and community, trade, and economic development~~) department of children, youth, and families shall share relevant information in furtherance of this section.

(3) Subject to the availability of amounts appropriated for this specific purpose, on or before June 30, 2019, the superintendent of public instruction must review any existing curricula related to the prevention of sexual abuse of students in kindergarten through

twelfth grade. The review required by this subsection must evaluate the curricula for alignment with the provisions of RCW 28A.300.160(2).

Sec. 3. RCW 28A.300.160 and 1995 c 399 s 21 are each amended to read as follows:

(1)(a) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall be the lead agency and shall assist the department of ((social and health services, the department of community, trade, and economic development,)) children, youth, and families and school districts in establishing a coordinated ((primary prevention)) program for the prevention of sexual abuse of students in kindergarten through twelfth grade, child abuse, and neglect.

(b) The office of the superintendent of public instruction must, for any curriculum included within a program for the prevention of sexual abuse of students in kindergarten through twelfth grade, seek advice and comments regarding the curriculum from:

(i) The Washington association of sheriffs and police chiefs;

(ii) The Washington association of prosecuting attorneys;

(iii) The Washington state school directors' association;

(iv) The association of Washington school principals;

(v) The center for children and youth justice;

(vi) Youthcare;

(vii) The committee for children;

(viii) The office of crime victim advocacy in the department of commerce; and

(ix) Other relevant organizations.

(2) In developing the program, consideration shall be given to the following:

(a) Parent, teacher, and children's workshops whose information and training is:

(i) Provided in a clear, age-appropriate, nonthreatening manner, delineating the problem and the range of possible solutions;

(ii) Culturally and linguistically appropriate to the population served;

(iii) Appropriate to the geographic area served; and

(iv) Designed to help counteract common stereotypes about the sexual abuse of students in kindergarten through twelfth grade, child abuse victims, and offenders;

(b) Training for school-age children's parents and school staff, which includes:

(i) Physical and behavioral indicators of abuse;

(ii) Crisis counseling techniques;

(iii) Community resources;

(iv) Rights and responsibilities regarding reporting;

(v) School district procedures to facilitate reporting and apprise supervisors and administrators of reports; and

(vi) Caring for a child's needs after a report is made;

(c) Training for licensed day care providers and parents that includes:

(i) Positive child guidance techniques;

(ii) Physical and behavioral indicators of abuse;

(iii) Recognizing and providing safe, quality day care;

(iv) Community resources;

(v) Rights and responsibilities regarding reporting; and

(vi) Caring for the abused or neglected child;

(d) Training for children that includes:

(i) The right of every child to live free of abuse;

(ii) How to disclose incidents of abuse and neglect;

(iii) The availability of support resources and how to obtain help;

(iv) Child safety training and age-appropriate self-defense techniques; and

(v) A period for crisis counseling and reporting immediately following the completion of each children's workshop in a school setting which maximizes the child's privacy and sense of safety.

(3) The ~~((primary))~~ coordinated prevention program established under this section ~~((shall be))~~ is a voluntary program and ~~((shall not be))~~ is not part of the state's program of basic ~~((program of))~~ education.

(4) Parents shall be given notice of the ~~((primary))~~ coordinated prevention program and may refuse to have their children participate in the program.

NEW SECTION. Sec. 4. A new section is added to chapter 28A.230 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall make the curriculum included under section 3(1)(b), chapter . . . , Laws of 2018 (section 3(1)(b) of this act) available on its web site.

NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2018, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "students;" strike the remainder of the title and insert "amending RCW 28A.300.150 and 28A.300.160; adding a new section to chapter 28A.230 RCW; and creating new sections."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Substitute House Bill No. 1539.

The motion by Senator Wellman carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Wellman, the rules were suspended, Substitute House Bill No. 1539 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Zeiger spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1539 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1539 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE HOUSE BILL NO. 1539, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2686, by House Committee on Education (originally sponsored by Representatives Ortiz-Self, Santos, Dolan, Frame, Bergquist, Doglio, Sells and Ryu)

Concerning high school and beyond plans.

The measure was read the second time.

MOTION

On motion of Senator Wellman, the rules were suspended, Substitute House Bill No. 2686 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Zeiger spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2686.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2686 and the bill passed the Senate by the following vote: Yeas, 37; Nays, 12; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Billig, Braun, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Sheldon, Takko, Van De Wege, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Bailey, Becker, Brown, Ericksen, Honeyford, Padden, Schoesler, Short, Wagoner, Warnick and Wilson

SUBSTITUTE HOUSE BILL NO. 2686, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

ENGROSSED SENATE BILL NO. 5450,
SENATE BILL NO. 5912,
SUBSTITUTE SENATE BILL NO. 5996,
SUBSTITUTE SENATE BILL NO. 6021,
SENATE BILL NO. 6027,
SENATE BILL NO. 6053,
SENATE BILL NO. 6059,
SENATE BILL NO. 6073,
SENATE BILL NO. 6113,
SENATE BILL NO. 6115,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6137,
SENATE BILL NO. 6145.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2748, by House Committee on Education (originally sponsored by Representatives Santos, Stonier, Muri and Pollet)

FIFTY THIRD DAY, MARCH 1, 2018

2018 REGULAR SESSION

Modifying the learning assistance program.

The measure was read the second time.

MOTION

Senator Wellman moved that the following committee striking amendment by the Committee on Early Learning & K-12 Education be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature acknowledges that the learning assistance program was developed to provide supplemental services for public school students who are not meeting academic standards. Initially, school districts were allowed to use learning assistance program funds in a flexible manner to support participating students. Over time, the legislature restricted and established priorities for the use of learning assistance program funds. The legislature finds that it is time to restore the flexibility of learning assistance program funds; however, local control must be balanced with local accountability for improvement in student academic achievement.

Sec. 2. RCW 28A.165.055 and 2017 3rd sp.s. c 13 s 405 are each amended to read as follows:

(1) While the state allocations for the learning assistance program under this chapter are intended to be flexible dollars within the control of the public school and school district, this local control must be balanced with local accountability for improvement in student achievement.

(2) The funds for the learning assistance program shall be appropriated in accordance with RCW 28A.150.260 and the omnibus appropriations act. The distribution formula is for school district allocation purposes only, except as provided in RCW 28A.150.260(10)(a)(ii), but all funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065.

~~((2))~~ (3) A district's high poverty-based allocation is generated by its qualifying schools ~~((buildings))~~ and must be expended by the district for those ~~((buildings))~~ schools. This funding must supplement and not supplant the district's expenditures under this chapter for those schools ~~((buildings))~~.

Sec. 3. RCW 28A.165.005 and 2017 3rd sp.s. c 13 s 403 are each amended to read as follows:

(1) This chapter is designed to: (a) Promote the use of data when developing programs to assist students who are not meeting academic standards ~~((and reduce disruptive behaviors in the classroom))~~; and (b) guide school districts in providing the most effective and efficient practices when implementing supplemental instruction and services to assist students who are not meeting academic standards ~~((and reduce disruptive behaviors in the classroom))~~.

(2) School districts implementing a learning assistance program shall ~~((focus first on))~~ emphasize addressing the needs of students in grades kindergarten through four who are deficient in reading or reading readiness skills to improve reading literacy.

Sec. 4. RCW 28A.165.035 and 2016 c 72 s 803 are each amended to read as follows:

(1) Use of best practices that have been demonstrated through research to be associated with increased student achievement magnifies the opportunities for student success. ~~((To the extent they are included as a best practice or strategy in one of the state~~

~~menus or an approved alternative under this section or RCW 28A.655.235.))~~

The office of the superintendent of public instruction shall publish the best practices and strategies by July 1, 2018, and update this publication by each July 1st thereafter.

(2) The following are services and activities that may be supported by the learning assistance program:

(a) Extended learning time opportunities occurring:

(i) Before or after the regular school day;

(ii) On Saturday; and

(iii) Beyond the regular school year;

(b) Services under RCW 28A.320.190;

(c) Intensive reading and literacy improvement strategies under RCW 28A.655.235;

(d) Professional development for certificated and classified staff that focuses on:

(i) The needs of a diverse student population;

(ii) Specific literacy and mathematics content and instructional strategies; and

(iii) The use of student work to guide effective instruction and appropriate assistance;

~~((d))~~ (e) Consultant teachers to assist in implementing effective instructional practices by teachers serving participating students;

~~((e))~~ (f) Tutoring support for participating students;

~~((f))~~ (g) Outreach activities and support for parents of participating students, including employing parent and family engagement coordinators; and

~~((g))~~ (h) Up to five percent of a district's learning assistance program allocation may be used for development of partnerships with community-based organizations, educational service districts, and other local agencies to deliver academic and nonacademic supports to participating students who are significantly at risk of not being successful in school to reduce barriers to learning, increase student engagement, and enhance students' readiness to learn. The school board must approve in an open meeting any community-based organization or local agency before learning assistance funds may be expended for partnerships.

~~((2))~~ ~~In addition to the state menu developed under RCW 28A.655.235.))~~ (3) The office of the superintendent of public instruction shall convene a panel of experts ~~((including the Washington state institute for public policy.))~~

to develop additional ~~((state menus of))~~ best practices and strategies for use in the learning assistance program to assist struggling students at all grade levels in English language arts and mathematics ~~((and reduce disruptive behaviors in the classroom))~~.

The panel may consider ways to integrate student supports to promote students' academic success.

The office of the superintendent of public instruction shall publish the ~~((state menus))~~ best practices by July 1, 2015, and update the ~~((state menus))~~ best practices by each July 1st thereafter.

~~((3))~~(a) Beginning in the 2016-17 school year, except as provided in (b) of this subsection, school districts must use a practice or strategy that is on a state menu developed under subsection (2) of this section or RCW 28A.655.235.

(b) Beginning in the 2016-17 school year, school districts may use a practice or strategy that is not on a state menu developed under subsection (2) of this section for two school years initially. If the district is able to demonstrate improved outcomes for participating students over the previous two school years at a level commensurate with the best practices and strategies on the state menu, the office of the superintendent of public instruction shall approve use of the alternative practice or strategy by the district

~~for one additional school year. Subsequent annual approval by the superintendent of public instruction to use the alternative practice or strategy is dependent on the district continuing to demonstrate increased improved outcomes for participating students.~~

~~(e) Beginning in the 2016-17 school year, school districts may enter cooperative agreements with state agencies, local governments, or school districts for administrative or operational costs needed to provide services in accordance with the state menus developed under this section and RCW 28A.655.235-.)~~

~~(4) School districts are encouraged to implement the best practices and strategies ((from the state menus)) developed under this section ((and RCW 28A.655.235 before the use is required)).~~

Sec. 5. RCW 28A.165.100 and 2013 2nd sp.s. c 18 s 204 are each amended to read as follows:

(1) Beginning with the 2014-15 school year, school districts shall record in the statewide individual student data system annual entrance and exit performance data for each student participating in the learning assistance program according to specifications established by the office of the superintendent of public instruction.

(2) By August 1, 2014, and each August 1st thereafter, school districts shall report to the office of the superintendent of public instruction, using a common format prepared by the office:

(a) The amount of academic growth gained by students participating in the learning assistance program;

(b) The number of students who gain at least one year of academic growth; ~~((and))~~

(c) The specific practices, activities, and programs used by each school building that received learning assistance program funding; and

(d) Other data required by the office of the superintendent of public instruction to demonstrate the efficacy of the learning assistance program expenditures to show student academic growth gains.

~~(3) Beginning November 1, 2018, and each November 1st thereafter, the office of the superintendent of public instruction shall compile the school district data reported as required by subsection (2) of this section, and report, in compliance with RCW 43.01.036, to the appropriate committees of the legislature with the annual and longitudinal gains for the specific practices, activities, and programs used by the school districts to show which are the most effective. The data must be disaggregated by student subgroups.~~

Sec. 6. RCW 28A.710.280 and 2016 c 241 s 128 are each amended to read as follows:

(1) The legislature intends that state funding for charter schools be distributed equitably with state funding provided for other public schools.

(2) For eligible students enrolled in a charter school established and operating in accordance with this chapter, the superintendent of public instruction shall transmit to each charter school an amount calculated as provided in this section and based on the statewide average staff mix factor for certificated instructional staff, including any enrichment to those statutory formulae that is specified in the omnibus appropriations act. The amount must be the sum of (a) and (b) of this subsection, as applicable.

(a) The superintendent shall, for purposes of making distributions under this section, separately calculate and distribute to charter schools moneys appropriated for general apportionment under the same ratios as in RCW 28A.150.260.

(b) The superintendent also shall, for purposes of making distributions under this section, and in accordance with the applicable formulae for categorical programs specified in (b)(i) through (v) of this subsection (2) and any enrichment to those

statutory formulae that is specified in the omnibus appropriations act, separately calculate and distribute moneys appropriated by the legislature to charter schools for:

(i) Supplemental instruction and services for ~~((underachieving))~~ students who are not meeting academic standards through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(ii) Supplemental instruction and services for eligible and enrolled students and exited students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080;

(iii) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020;

(iv) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030; and

(v) Pupil transportation services to and from school in accordance with RCW 28A.160.150 through 28A.160.180. Distributions for pupil transportation must be calculated on a per eligible student basis based on the allocation for the previous school year to the school district in which the charter school is located.

(3) The superintendent of public instruction must adopt rules necessary for the distribution of funding required by this section and to comply with federal reporting requirements.

Sec. 7. RCW 28A.300.139 and 2016 c 72 s 801 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the Washington integrated student supports protocol is established. The protocol shall be developed by the center for the improvement of student learning, established in RCW 28A.300.130, based on the framework described in this section. The purposes of the protocol include:

(a) Supporting a school-based approach to promoting the success of all students by coordinating academic and nonacademic supports to reduce barriers to academic achievement and educational attainment;

(b) Fulfilling a vision of public education where educators focus on education, students focus on learning, and auxiliary supports enable teaching and learning to occur unimpeded;

(c) Encouraging the creation, expansion, and quality improvement of community-based supports that can be integrated into the academic environment of schools and school districts;

(d) Increasing public awareness of the evidence showing that academic outcomes are a result of both academic and nonacademic factors; and

(e) Supporting statewide and local organizations in their efforts to provide leadership, coordination, technical assistance, professional development, and advocacy to implement high-quality, evidence-based, student-centered, coordinated approaches throughout the state.

(2)(a) The Washington integrated student supports protocol must be sufficiently flexible to adapt to the unique needs of schools and districts across the state, yet sufficiently structured to provide all students with the individual support they need for academic success.

(b) The essential framework of the Washington integrated student supports protocol includes:

(i) Needs assessments: A system-level needs assessment with resource mapping must be conducted in order to identify academic and nonacademic supports that are currently available or lacking in schools, school districts, and the community. A needs assessment must be conducted for all at-risk students in order to develop or identify the needed academic and nonacademic supports within the students' school and

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community. These supports must be coordinated to provide students with a package of mutually reinforcing supports designed to meet the individual needs of each student.

(ii) Integration and coordination: The school and district leadership and staff must develop close relationships with providers of academic and nonacademic supports to enhance the effectiveness of the protocol.

(iii) Community partnerships: Community partners must be engaged to provide nonacademic supports to reduce barriers to students' academic success, including supports to students' families.

(iv) Data driven: Students' needs and outcomes must be tracked over time to determine student progress and evolving needs.

(c) The framework must facilitate the ability of any academic or nonacademic provider to support the needs of at-risk students, including, but not limited to: Out-of-school providers, social workers, mental health counselors, physicians, dentists, speech therapists, and audiologists.

Sec. 8. RCW 28A.320.190 and 2009 c 578 s 2 are each amended to read as follows:

(1) The extended learning opportunities program is created for eligible ~~((eleventh and))~~ ninth through twelfth grade students who are not on track to meet local or state graduation requirements as well as eighth grade students who need additional assistance in order to have the opportunity for a successful entry into high school. The program shall provide early notification of graduation status and information on education opportunities including preapprenticeship programs that are available.

(2) Under the extended learning opportunities program and to the extent funds are available for that purpose, districts shall make available to students in grade twelve who have failed to meet one or more local or state graduation requirements the option of continuing enrollment in the school district in accordance with RCW 28A.225.160. Districts are authorized to use basic education program funding to provide instruction to eligible students under RCW 28A.150.220~~((3))~~ (5).

(3) Under the extended learning opportunities program, instructional services for eligible students can occur during the regular school day, evenings, on weekends, or at a time and location deemed appropriate by the school district, including the educational service district, in order to meet the needs of these students. Instructional services provided under this section do not include services offered at private schools. Instructional services can include, but are not limited to, the following:

(a) Individual or small group instruction;

(b) Instruction in English language arts and/or mathematics that eligible students need to pass all or part of the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~;

(c) Attendance in a public high school or public alternative school classes or at a skill center;

(d) Inclusion in remediation programs, including summer school;

(e) Language development instruction for English language learners;

(f) Online curriculum and instructional support, including programs for credit retrieval and ~~((Washington))~~ statewide student assessment ~~((of student learning))~~ preparatory classes; and

(g) Reading improvement specialists available at the educational service districts to serve eighth~~((, eleventh, and))~~ through twelfth grade educators through professional development in accordance with RCW 28A.415.350. The reading improvement specialist may also provide direct services to eligible students and those students electing to continue a fifth year in a high school program who are still struggling with basic

reading skills.

NEW SECTION. Sec. 9. Sections 2 through 8 of this act take effect January 1, 2019."

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "modifying the learning assistance program to balance local control and state accountability by making the allowable uses of program funds more flexible; amending RCW 28A.165.055, 28A.165.005, 28A.165.035, 28A.165.100, 28A.710.280, 28A.300.139, and 28A.320.190; creating a new section; and providing an effective date."

MOTION

Senator Wellman moved that the following floor amendment no. 835 by Senators Mullet and Wellman be adopted:

On page 4, line 18 of the amendment, after "(4)" insert "(a) During the 2018-19 and 2019-20 school years only, school districts may expend a portion of the district's learning assistance program allocation to develop a dropout early warning and intervention data system as defined in RCW 28A.175.074. During the 2018-19 and 2019-20 school years, the office of the superintendent of public instruction may retain up to one-half of one percent of learning assistance program allocation funds generated by middle school and high school students for the purpose of supporting districts in data collection and reporting and providing professional development and technical assistance. The office of the superintendent of public instruction is encouraged to work with the educational service districts to provide these services.

(b) School districts may expend a portion of the district's learning assistance program allocation on interventions for students identified as at risk of not graduating using the dropout early warning and intervention data system defined in RCW 28A.175.074.

(5)"

Senator Mullet spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 835 by Senators Mullet and Wellman on page 4, line 18 to the committee striking amendment.

The motion by Senator Wellman carried and floor amendment no. 835 was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Early Learning & K-12 Education as amended to Substitute House Bill No. 2748.

The motion by Senator Wellman carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Wellman, the rules were suspended, Substitute House Bill No. 2748 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Zeiger spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2748 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2748 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senator Short

SUBSTITUTE HOUSE BILL NO. 2748, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2824, by House Committee on Education (originally sponsored by Representatives Harris, Dolan and Muri)

Exchanging and aligning specific powers, duties, and functions of the superintendent of public instruction and the state board of education.

The measure was read the second time.

MOTION

Senator Wellman moved that the following committee striking amendment by the Committee on Early Learning & K-12 Education be adopted:

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** The legislature finds that specific powers, duties, and functions of the state board of education and the superintendent of public instruction should be realigned to better serve students and families, educators, school districts, and schools both public and private.

The legislature recognizes that the state board of education and the superintendent of public instruction, with the support of the governor's office, convened a roles and responsibilities task force to review their authorities and made recommendations to clarify and realign responsibilities among the agencies.

The legislature, therefore, intends to clarify, and in some cases shift, responsibilities related to private schools, educational service district boundaries, career and technical education equivalencies, adoption of learning standards, waiver of school district requirements, and compliance with basic education requirements.

PART I

EDUCATIONAL SERVICE DISTRICT BOUNDARIES

Sec. 101. RCW 28A.310.020 and 1994 sp.s. c 6 s 513 are each amended to read as follows:

The ~~((state board of education))~~ superintendent of public instruction upon ~~((its))~~ his or her own initiative, or upon petition

of any educational service district board, or upon petition of at least half of the district superintendents within an educational service district, or upon request of the ~~((superintendent of public instruction))~~ state board of education, may make changes in the number and boundaries of the educational service districts, including an equitable adjustment and transfer of any and all property, assets, and liabilities among the educational service districts whose boundaries and duties and responsibilities are increased and/or decreased by such changes, consistent with the purposes of RCW 28A.310.010: PROVIDED, That no reduction in the number of educational service districts will take effect after June 30, 1995, without a majority approval vote by the affected school directors voting in such election by mail ballot. Prior to making any such changes, the ~~((state board))~~ superintendent of public instruction, or his or her designee, shall hold at least one public hearing on such proposed action and shall consider any recommendations on such proposed action.

The ~~((state board))~~ superintendent of public instruction in making any change in boundaries shall give consideration to, but not be limited by, the following factors: Size, population, topography, and climate of the proposed district.

The superintendent of public instruction shall furnish personnel, material, supplies, and information necessary to enable educational service district boards and superintendents to consider the proposed changes.

PART II

PRIVATE SCHOOLS

Sec. 201. RCW 28A.195.010 and 2009 c 548 s 303 are each amended to read as follows:

The legislature hereby recognizes that private schools should be subject only to those minimum state controls necessary to insure the health and safety of all the students in the state and to insure a sufficient basic education to meet usual graduation requirements. The state, any agency or official thereof, shall not restrict or dictate any specific educational or other programs for private schools except as hereinafter in this section provided.

~~((Principals))~~ The administrative or executive authority of private schools or ~~((superintendents of))~~ private school districts shall file each year with the state ~~((superintendent of public instruction))~~ board of education a statement certifying that the minimum requirements hereinafter set forth are being met, noting any deviations. The state board of education may request clarification or additional information. After review of the statement, the state ~~((superintendent))~~ board of education will notify schools or school districts of ~~((those))~~ any concerns, deficiencies, and deviations which must be corrected. ~~((In case of major))~~ If there are any unresolved concerns, deficiencies, or deviations, the school or school district may request ~~((and))~~ or the state board of education on its own initiative may grant provisional status for one year in order that the school or school district may take action to meet the requirements. The state board of education shall not require private school students to meet the student learning goals, obtain a certificate of academic achievement, or a certificate of individual achievement to graduate from high school, to master the essential academic learning requirements, or to be assessed pursuant to RCW 28A.655.061. However, private schools may choose, on a voluntary basis, to have their students master these essential academic learning requirements, take the assessments, and obtain a certificate of academic achievement or a certificate of individual achievement. Minimum requirements shall be as follows:

(1) The minimum school year for instructional purposes shall consist of no less than one hundred eighty school days or the equivalent in annual minimum instructional hour offerings, with

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a school-wide annual average total instructional hour offering of one thousand hours for students enrolled in grades one through twelve, and at least four hundred fifty hours for students enrolled in kindergarten.

(2) The school day shall be the same as defined in RCW 28A.150.203.

(3) All classroom teachers shall hold appropriate Washington state certification except as follows:

(a) Teachers for religious courses or courses for which no counterpart exists in public schools shall not be required to obtain a state certificate to teach those courses.

(b) In exceptional cases, people of unusual competence but without certification may teach students so long as a certified person exercises general supervision. Annual written statements shall be submitted to the ~~((office of the superintendent of public instruction))~~ state board of education reporting and explaining such circumstances.

(4) An approved private school may operate an extension program for parents, guardians, or persons having legal custody of a child to teach children in their custody. The extension program shall require at a minimum that:

(a) The parent, guardian, or custodian be under the supervision of an employee of the approved private school who is ~~((certified))~~ certificated under chapter 28A.410 RCW;

(b) The planning by the ~~((certified))~~ certificated person and the parent, guardian, or person having legal custody include objectives consistent with this subsection and subsections (1), (2), (5), (6), and (7) of this section;

(c) The ~~((certified))~~ certificated person spend a minimum average each month of one contact hour per week with each student under his or her supervision who is enrolled in the approved private school extension program;

(d) Each student's progress be evaluated by the ~~((certified))~~ certificated person; and

(e) The ~~((certified))~~ certificated employee shall not supervise more than thirty students enrolled in the approved private school's extension program.

(5) Appropriate measures shall be taken to safeguard all permanent records against loss or damage.

(6) The physical facilities of the school or district shall be adequate to meet the program offered by the school or district: PROVIDED, That each school building shall meet reasonable health and fire safety requirements. A residential dwelling of the parent, guardian, or custodian shall be deemed to be an adequate physical facility when a parent, guardian, or person having legal custody is instructing his or her child under subsection (4) of this section.

(7) Private school curriculum shall include instruction of the basic skills of occupational education, science, mathematics, language, social studies, history, health, reading, writing, spelling, and the development of appreciation of art and music, all in sufficient units for meeting state board of education graduation requirements.

(8) Each school or school district shall be required to maintain up-to-date policy statements related to the administration and operation of the school or school district.

All decisions of policy, philosophy, selection of books, teaching material, curriculum, except as in subsection (7) of this section provided, school rules and administration, or other matters not specifically referred to in this section, shall be the responsibility of the administration and administrators of the particular private school involved.

Sec. 202. RCW 28A.195.030 and 1974 ex.s. c 92 s 4 are each amended to read as follows:

Any private school may appeal the actions of the ~~((state~~

~~superintendent of public instruction or))~~ state board of education as provided in chapter 34.05 RCW.

Sec. 203. RCW 28A.195.060 and 1975 1st ex.s. c 275 s 70 are each amended to read as follows:

~~((It shall be the duty of))~~ The administrative or executive authority of every private school in this state ~~((to))~~ must report to the ~~((educational service district))~~ superintendent of public instruction on or before the thirtieth day of June in each year, on ~~((a))~~ forms to be furnished, such information as may be required by the superintendent of public instruction, to make complete the records of education work pertaining to all children residing within the state.

PART III CTE COURSE EQUIVALENCY

Sec. 301. RCW 28A.230.097 and 2014 c 217 s 204 and 2014 c 217 s 102 are each reenacted and amended to read as follows:

(1) Each high school or school district board of directors shall adopt course equivalencies for career and technical high school courses offered to students in high schools and skill centers. A career and technical course equivalency may be for whole or partial credit. Each school district board of directors shall develop a course equivalency approval procedure. Boards of directors must approve AP computer science courses as equivalent to high school mathematics or science, and must denote on a student's transcript that AP computer science qualifies as a math-based quantitative course for students who take the course in their senior year. In order for a board to approve AP computer science as equivalent to high school mathematics, the student must be concurrently enrolled in or have successfully completed algebra II. Beginning no later than the 2015-16 school year, a school district board of directors must, at a minimum, grant academic course equivalency in mathematics or science for a high school career and technical course from the list of courses approved by the ~~((state board of education))~~ superintendent of public instruction under RCW 28A.700.070, but is not limited to the courses on the list. If the list of courses is revised after the 2015-16 school year, the school district board of directors must grant academic course equivalency based on the revised list beginning with the school year immediately following the revision.

(2) Career and technical courses determined to be equivalent to academic core courses, in full or in part, by the high school or school district shall be accepted as meeting core requirements, including graduation requirements, if the courses are recorded on the student's transcript using the equivalent academic high school department designation and title. Full or partial credit shall be recorded as appropriate. The high school or school district shall also issue and keep record of course completion certificates that demonstrate that the career and technical courses were successfully completed as needed for industry certification, college credit, or preapprenticeship, as applicable. The certificate shall be part of the student's high school and beyond plan. The office of the superintendent of public instruction shall develop and make available electronic samples of certificates of course completion.

Sec. 302. RCW 28A.230.010 and 2014 c 217 s 103 are each amended to read as follows:

(1) School district boards of directors shall identify and offer courses with content that meet or exceed: (a) The basic education skills identified in RCW 28A.150.210; (b) the graduation requirements under RCW 28A.230.090; (c) the courses required to meet the minimum college entrance requirements under RCW 28A.230.130; and (d) the course options for career development under RCW 28A.230.130. Such courses may be applied or

theoretical, academic, or vocational.

(2) School district boards of directors must provide high school students with the opportunity to access at least one career and technical education course that is considered equivalent to a mathematics course or at least one career and technical education course that is considered equivalent to a science course as determined by the office of the superintendent of public instruction (~~and the state board of education~~) in RCW 28A.700.070. Students may access such courses at high schools, interdistrict cooperatives, skill centers or branch or satellite skill centers, or through online learning or applicable running start vocational courses.

(3)(a) Until January 1, 2019, school district boards of directors of school districts with fewer than two thousand students may apply to the state board of education for a waiver from the provisions of subsection (2) of this section.

(b) On and after January 1, 2019, school district boards of directors of school districts with fewer than two thousand students may apply to the superintendent of public instruction for a waiver from the provisions of subsection (2) of this section under section 504 of this act.

Sec. 303. RCW 28A.300.236 and 2017 3rd sp.s. c 13 s 410 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction must create methodologies for implementing equivalency crediting on a broader scale across the state and facilitate its implementation including, but not limited to, the following:

(a) Implementing statewide career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for high schools and skill centers in science, technology, engineering, and mathematics. This may include development of additional equivalency course frameworks in core subject areas, course performance assessments, and development and delivery of professional development for districts and skill centers implementing the career and technical education frameworks; and

(b) Providing competitive grant funds to school districts to increase the integration and rigor of academic instruction in career and technical education equivalency courses. The grant funds must be used to support teams of general education and career and technical education teachers to convene and design course performance assessments, deepen the understanding of integrating academic and career and technical education in student instruction, and develop professional learning modules for school districts to plan implementation of equivalency crediting.

(2) Beginning in the 2017-18 school year, school districts shall annually report to the office of the superintendent of public instruction the following information:

(a) The annual number of students participating in state-approved equivalency courses; and

(b) The annual number of state approved equivalency credit courses offered in school districts and skill centers.

(3) Beginning December 1, (~~2017~~) 2018, and every December 1st thereafter, the office of the superintendent of public instruction shall annually submit (~~a summary of the school district information reported under subsection (2) of this section~~) the following information to the office of the governor, the state board of education, and the appropriate committees of the legislature:

(a) The selected list of equivalent career and technical education courses and their curriculum frameworks that the superintendent of public instruction has approved under RCW

28A.700.070; and

(b) A summary of the school district information reported under subsection (2) of this section.

Sec. 304. RCW 28A.700.070 and 2014 c 217 s 101 are each amended to read as follows:

(1) The office of the superintendent of public instruction shall support school district efforts under RCW 28A.230.097 to adopt course equivalencies for career and technical courses by:

(a) Recommending career and technical curriculum suitable for course equivalencies;

(b) Publicizing best practices for high schools and school districts in developing and adopting course equivalencies; and

(c) In consultation with the Washington association for career and technical education, providing professional development, technical assistance, and guidance for school districts seeking to expand their lists of equivalent courses.

(2) The office of the superintendent of public instruction shall provide professional development, technical assistance, and guidance for school districts to develop career and technical course equivalencies that also qualify as advanced placement courses.

(3) The (~~office of the~~) superintendent of public instruction, in consultation with one or more technical working groups convened for this purpose, shall develop and, after an opportunity for public comment, approve curriculum frameworks for a selected list of career and technical courses that may be offered by high schools or skill centers whose content in science, technology, engineering, and mathematics is considered equivalent in full or in part to science or mathematics courses that meet high school graduation requirements. The content of the courses must be aligned with state essential academic learning requirements in mathematics as adopted by the superintendent of public instruction in July 2011 and the essential academic learning requirements in science as adopted in October 2013, and industry standards. (~~The office shall submit the list of equivalent career and technical courses and their curriculum frameworks to the state board of education for review, an opportunity for public comment, and approval.~~) The first list of courses under this subsection must be developed and approved before the 2015-16 school year. Thereafter, the (~~office~~) superintendent of public instruction may periodically update or revise the list of courses using the process in this subsection.

(4) Subject to funds appropriated for this purpose, (~~the office of~~) the superintendent of public instruction shall allocate grant funds to school districts to increase the integration and rigor of academic instruction in career and technical courses. Grant recipients are encouraged to use grant funds to support teams of academic and technical teachers using a research-based professional development model supported by the national research center for career and technical education. The (~~office of the~~) superintendent of public instruction may require that grant recipients provide matching resources using federal Carl Perkins funds or other fund sources.

PART IV LEARNING STANDARDS

Sec. 401. RCW 28A.655.070 and 2015 c 211 s 3 are each amended to read as follows:

(1) The superintendent of public instruction shall develop essential academic learning requirements that identify the knowledge and skills all public school students need to know and be able to do based on the student learning goals in RCW 28A.150.210, develop student assessments, and implement the accountability recommendations and requests regarding assistance, rewards, and recognition of the state board of

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education.

(2) The superintendent of public instruction shall:

(a) Periodically revise the essential academic learning requirements, as needed, based on the student learning goals in RCW 28A.150.210. Goals one and two shall be considered primary. To the maximum extent possible, the superintendent shall integrate goal four and the knowledge and skill areas in the other goals in the essential academic learning requirements; and

(b) Review and prioritize the essential academic learning requirements and identify, with clear and concise descriptions, the grade level content expectations to be assessed on the statewide student assessment and used for state or federal accountability purposes. The review, prioritization, and identification shall result in more focus and targeting with an emphasis on depth over breadth in the number of grade level content expectations assessed at each grade level. Grade level content expectations shall be articulated over the grades as a sequence of expectations and performances that are logical, build with increasing depth after foundational knowledge and skills are acquired, and reflect, where appropriate, the sequential nature of the discipline. The office of the superintendent of public instruction, within seven working days, shall post on its web site any grade level content expectations provided to an assessment vendor for use in constructing the statewide student assessment.

(3)(a) In consultation with the state board of education, the superintendent of public instruction shall maintain and continue to develop and revise a statewide academic assessment system in the content areas of reading, writing, mathematics, and science for use in the elementary, middle, and high school years designed to determine if each student has mastered the essential academic learning requirements identified in subsection (1) of this section. School districts shall administer the assessments under guidelines adopted by the superintendent of public instruction. The academic assessment system may include a variety of assessment methods, including criterion-referenced and performance-based measures.

(b) Effective with the 2009 administration of the Washington assessment of student learning and continuing with the statewide student assessment, the superintendent shall redesign the assessment in the content areas of reading, mathematics, and science in all grades except high school by shortening test administration and reducing the number of short answer and extended response questions.

(c) By the 2014-15 school year, the superintendent of public instruction, in consultation with the state board of education, shall modify the statewide student assessment system to transition to assessments developed with a multistate consortium, as provided in this subsection:

(i) The assessments developed with a multistate consortium to assess student proficiency in English language arts and mathematics shall be administered beginning in the 2014-15 school year. The reading and writing assessments shall not be administered by the superintendent of public instruction or schools after the 2013-14 school year.

(ii) The high school assessments in English language arts and mathematics in (c)(i) of this subsection shall be used for the purposes of earning a certificate of academic achievement for high school graduation under the timeline established in RCW 28A.655.061 and for assessing student career and college readiness.

(iii) During the transition period specified in RCW 28A.655.061, the superintendent of public instruction shall use test items and other resources from the consortium assessment to develop and administer a tenth grade high school English language arts assessment, an end-of-course mathematics assessment to assess the standards common to algebra I and

integrated mathematics I, and an end-of-course mathematics assessment to assess the standards common to geometry and integrated mathematics II.

(4) If the superintendent proposes any modification to the essential academic learning requirements or the statewide assessments, then the superintendent shall, upon request, provide opportunities for the education committees of the house of representatives and the senate to review the assessments and proposed modifications to the essential academic learning requirements before the modifications are adopted.

(5) The assessment system shall be designed so that the results under the assessment system are used by educators as tools to evaluate instructional practices, and to initiate appropriate educational support for students who have not mastered the essential academic learning requirements at the appropriate periods in the student's educational development.

(6) By September 2007, the results for reading and mathematics shall be reported in a format that will allow parents and teachers to determine the academic gain a student has acquired in those content areas from one school year to the next.

(7) To assist parents and teachers in their efforts to provide educational support to individual students, the superintendent of public instruction shall provide as much individual student performance information as possible within the constraints of the assessment system's item bank. The superintendent shall also provide to school districts:

(a) Information on classroom-based and other assessments that may provide additional achievement information for individual students; and

(b) A collection of diagnostic tools that educators may use to evaluate the academic status of individual students. The tools shall be designed to be inexpensive, easily administered, and quickly and easily scored, with results provided in a format that may be easily shared with parents and students.

(8) To the maximum extent possible, the superintendent shall integrate knowledge and skill areas in development of the assessments.

(9) Assessments for goals three and four of RCW 28A.150.210 shall be integrated in the essential academic learning requirements and assessments for goals one and two.

(10) The superintendent shall develop assessments that are directly related to the essential academic learning requirements, and are not biased toward persons with different learning styles, racial or ethnic backgrounds, or on the basis of gender.

(11) The superintendent shall consider methods to address the unique needs of special education students when developing the assessments under this section.

(12) The superintendent shall consider methods to address the unique needs of highly capable students when developing the assessments under this section.

(13) The superintendent shall post on the superintendent's web site lists of resources and model assessments in social studies, the arts, and health and fitness.

(14) The superintendent shall integrate financial education skills and content knowledge into the state learning standards pursuant to RCW 28A.300.460(2)(d).

(15)(a) The superintendent shall notify the state board of education in writing before initiating the development or revision of the essential academic learning requirements under subsections (1) and (2) of this section. The notification must be provided to the state board of education in advance for review at a regularly scheduled or special board meeting and must include the following information:

(i) The subject matter of the essential academic learning requirements;

(ii) The reason or reasons the superintendent is initiating the development or revision; and

(iii) The process and timeline that the superintendent intends to follow for the development or revision.

(b) The state board of education may provide a response to the superintendent's notification for consideration in the development or revision process in (a) of this subsection.

(c) Prior to adoption by the superintendent of any new or revised essential academic learning requirements, the superintendent shall submit the proposed new or revised essential academic learning requirements to the state board of education in advance in writing for review at a regularly scheduled or special board meeting. The state board of education may provide a response to the superintendent's proposal for consideration prior to final adoption.

(16) The state board of education may propose new or revised essential academic learning requirements to the superintendent. The superintendent must respond to the state board of education's proposal in writing.

PART V

WAIVER OF SCHOOL DISTRICT REQUIREMENTS

Sec. 501. RCW 28A.305.140 and 2012 c 53 s 8 are each amended to read as follows:

~~(1) ((The state board of education))~~ (a) In accordance with the criteria adopted by the state board of education under subsection (2) of this section, the superintendent of public instruction may grant waivers to school districts from the provisions of RCW 28A.150.200 through 28A.150.220, except as provided in (b) of this subsection, on the basis that such waiver or waivers are necessary to

~~(a))~~ implement successfully a local plan to provide for all students in the district an effective education system that is designed to enhance the educational program for each student. The local plan may include alternative ways to provide effective educational programs for students who experience difficulty with the regular education program

~~(b) ((Implement an innovation school or innovation zone designated under RCW 28A.630.081; or~~

~~(c) Implement a collaborative schools for innovation and success pilot project approved under RCW 28A.630.104.))~~ The state board of education shall have authority to grant waivers from the provisions of RCW 28A.150.220(3)(b) and to grant the waivers set forth in RCW 28A.230.090(1)(e)(ii), 28A.630.081, 28A.630.104, and 28A.655.180.

(2) The state board of education shall adopt rules establishing the criteria to evaluate the need for ((the)) a waiver or waivers under this section.

Sec. 502. RCW 28A.305.140 and 1990 c 33 s 267 are each amended to read as follows:

~~((The state board of education))~~ (1)(a) In accordance with the criteria adopted by the state board of education under subsection (2) of this section, the superintendent of public instruction may grant waivers to school districts from the provisions of RCW 28A.150.200 through 28A.150.220, except as provided in (b) of this subsection, on the basis that such waiver or waivers are necessary to implement successfully a local plan to provide for all students in the district an effective education system that is designed to enhance the educational program for each student. The local plan may include alternative ways to provide effective educational programs for students who experience difficulty with the regular education program.

(b) The state board of education shall have authority to grant waivers from the provisions of RCW 28A.150.220(3)(b) and to grant the waivers set forth in RCW 28A.230.090(1)(e)(ii) and

28A.655.180.

(2) The state board of education shall adopt rules establishing the criteria to evaluate the need for ((the)) a waiver or waivers under this section.

NEW SECTION. Sec. 503. A new section is added to chapter 28A.150 RCW to read as follows:

(1) In addition to waivers authorized under RCW 28A.305.140 (as recodified by this act), the superintendent of public instruction, in accordance with the criteria in subsection (2) of this section and criteria adopted by the state board of education under subsection (3) of this section, may grant waivers of the requirement for a one hundred eighty-day school year under RCW 28A.150.220 to school districts that propose to operate one or more schools on a flexible calendar for purposes of economy and efficiency as provided in this section. The requirement under RCW 28A.150.220 that school districts offer minimum instructional hours may not be waived.

(2) A school district seeking a waiver under this section must submit an application to the superintendent of public instruction that includes:

(a) A proposed calendar for the school day and school year that demonstrates how the instructional hour requirement will be maintained;

(b) An explanation and estimate of the economies and efficiencies to be gained from compressing the instructional hours into fewer than one hundred eighty days;

(c) An explanation of how monetary savings from the proposal will be redirected to support student learning;

(d) A summary of comments received at one or more public hearings on the proposal and how concerns will be addressed;

(e) An explanation of the impact on students who rely upon free and reduced-price school child nutrition services and the impact on the ability of the child nutrition program to operate an economically independent program;

(f) An explanation of the impact on employees in education support positions and the ability to recruit and retain employees in education support positions;

(g) An explanation of the impact on students whose parents work during the missed school day; and

(h) Other information that the superintendent of public instruction may request to assure that the proposed flexible calendar will not adversely affect student learning.

(3) The state board of education shall adopt rules establishing the criteria to evaluate waiver requests under this section. A waiver may be effective for up to three years and may be renewed for subsequent periods of three or fewer years. After each school year in which a waiver has been granted under this section, the superintendent of public instruction must analyze empirical evidence to determine whether the reduction is affecting student learning. If the superintendent of public instruction determines that student learning is adversely affected, the school district must discontinue the flexible calendar as soon as possible but not later than the beginning of the next school year after the superintendent of public instruction's determination.

(4) The superintendent of public instruction may grant waivers authorized under this section to five or fewer school districts with student populations of less than five hundred students. Of the five waivers that may be granted, two must be reserved for districts with student populations of less than one hundred fifty students.

NEW SECTION. Sec. 504. A new section is added to chapter 28A.230 RCW to read as follows:

(1) The superintendent of public instruction may grant a waiver from the provisions of RCW 28A.230.010(2) based on an application from a board of directors of a school district with

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fewer than two thousand students.

(2) The state board of education may adopt rules establishing the criteria to evaluate the need for a waiver or waivers under this section.

Sec. 505. RCW 28A.300.545 and 2011 c 45 s 2 are each amended to read as follows:

(1) The superintendent of public instruction shall develop a condensed compliance report form for second-class districts by August 1, 2011. The report form shall allow districts the option of indicating one of the following for each funded program:

(a) The district has complied or received a ~~((state board of education approved))~~ waiver approved by the state board of education or superintendent of public instruction;

(b) The district has not complied, accompanied by an explanation or the steps taken to comply; or

(c) The district has received a grant for less than half of a full-time equivalent instructional staff.

(2) The office of the superintendent of public instruction may conduct random audits of second-class districts that submit a condensed compliance report under RCW 28A.330.250. The purpose of the audit is to determine whether documentation exists to support a school district superintendent's condensed compliance report.

Sec. 506. RCW 28A.655.180 and 2012 c 53 s 9 are each amended to read as follows:

(1) The state board of education ~~((, where appropriate, or the superintendent of public instruction, where appropriate,))~~ may grant waivers to districts from the provisions of statutes or rules relating to: The length of the school year; student-to-teacher ratios; and other administrative rules that in the opinion of the state board of education ~~((or the opinion of the superintendent of public instruction))~~ may need to be waived in order for a district to implement a plan for restructuring its educational program or the educational program of individual schools within the district or to implement an innovation school or innovation zone designated under RCW 28A.630.081 or to implement a collaborative schools for innovation and success pilot project approved under RCW 28A.630.104.

(2) ~~((School districts may use the application process in RCW 28A.305.140 to apply for the waivers under this section.))~~ The state board of education may adopt rules establishing the waiver application process under this section.

Sec. 507. RCW 28A.655.180 and 2009 c 543 s 3 are each amended to read as follows:

(1) The state board of education ~~((, where appropriate, or the superintendent of public instruction, where appropriate,))~~ may grant waivers to districts from the provisions of statutes or rules relating to: The length of the school year; student-to-teacher ratios; and other administrative rules that in the opinion of the state board of education ~~((or the opinion of the superintendent of public instruction))~~ may need to be waived in order for a district to implement a plan for restructuring its educational program or the educational program of individual schools within the district.

(2) ~~((School districts may use the application process in RCW 28A.305.140 to apply for the waivers under this section.))~~ The state board of education may adopt rules establishing the waiver application process under this section.

NEW SECTION. Sec. 508. A new section is added to chapter 28A.300 RCW to read as follows:

Beginning September 1, 2019, the superintendent of public instruction shall annually report to the state board of education and education committees of the house of representatives and the senate summaries of all waiver applications submitted to the

superintendent of public instruction for the prior school year under RCW 28A.305.140 (as recodified by this act), sections 503 and 504 of this act, and RCW 28A.150.290, including the following information for each type of waiver:

(1) The annual number of waiver applications the superintendent approved and did not approve;

(2) A brief summary of each waiver request;

(3) The reasons the superintendent approved or did not approve each waiver application; and

(4) Links to the waiver applications posted on the superintendent's web site.

PART VI COMPLIANCE WITH BASIC EDUCATION REQUIREMENTS

Sec. 601. RCW 28A.150.250 and 2009 c 548 s 105 are each amended to read as follows:

(1) From those funds made available by the legislature for the current use of the common schools, the superintendent of public instruction shall distribute annually as provided in RCW 28A.510.250 to each school district of the state operating a basic education instructional program approved by the state board of education an amount based on the formulas provided in RCW 28A.150.260, 28A.150.390, and 28A.150.392 which, when combined with an appropriate portion of such locally available revenues, other than receipts from federal forest revenues distributed to school districts pursuant to RCW 28A.520.010 and 28A.520.020, as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support, excluding excess property tax levies, will constitute a basic education allocation in dollars for each annual average full-time equivalent student enrolled.

(2) The instructional program of basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature pursuant to RCW 28A.150.260, 28A.150.390, and 28A.150.392 to fund those program requirements identified in RCW 28A.150.220 in accordance with the formula provided in RCW 28A.150.260 and those amounts of dollars appropriated by the legislature to fund the salary requirements of RCW 28A.150.410.

(3)(a) If a school district's basic education program fails to meet the basic education requirements enumerated in RCW 28A.150.260 and 28A.150.220, the state board of education ~~((shall require))~~ may recommend to the superintendent of public instruction ~~((to))~~ that the superintendent withhold state funds in whole or in part for the basic education allocation until program compliance is assured. However, the state board of education may waive this requirement in the event of substantial lack of classroom space.

(b) If the state board of education recommends the withholding of a school district's basic education allocation under this subsection, the superintendent of public instruction may withhold the allocation of state funds in whole or in part for support of the school district. Written notice of the intent to withhold state funds, with reasons stated for this action, shall be made to the school district by the office of the superintendent of public instruction before any portion of the state allocation is withheld.

PART VII MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 701. The following acts or parts of acts are each repealed:

(1) RCW 28A.305.141 (Waiver from one hundred eighty-day school year requirement—Criteria) and 2016 c 99 s 1, 2014 c 171 s 1, & 2009 c 543 s 2; and

(2)RCW 28A.305.142 (Waiver from career and technical course equivalency requirement) and 2014 c 217 s 104.

NEW SECTION. Sec. 702. A new section is added to chapter 28A.305 RCW to read as follows:

(1) The transfer of powers, duties, and functions of the superintendent of public instruction and the state board of education pursuant to chapter . . . , Laws of 2018 (this act) do not affect the validity of any superintendent of public instruction or state board of education action performed before the effective date of this section.

(2) If apportionments of budgeted funds are required because of the transfer of powers, duties, and functions directed by chapter . . . , Laws of 2018 (this act), the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the director's certification.

(3) Unless otherwise provided, nothing contained in chapter . . . , Laws of 2018 (this act) may be construed to alter any existing collective bargaining unit or provisions of any existing collective bargaining agreement until the agreement has expired or until the bargaining unit has been modified by action of the personnel resources board as provided by law.

NEW SECTION. Sec. 703. (1) The state board of education and the office of the superintendent of public instruction shall jointly review available and appropriate options for expanding the integration of competency-based education practices in public schools.

(2) The state board of education and the office of the superintendent of public instruction, in accordance with RCW 43.01.036, shall jointly provide findings and recommendations from the review required by this section to the education committees of the house of representatives and the senate by November 1, 2019.

(3) This section is subject to the availability of amounts appropriated for this specific purpose.

NEW SECTION. Sec. 704. RCW 28A.305.140 is recodified as a section in chapter 28A.300 RCW.

NEW SECTION. Sec. 705. Section 506 of this act expires June 30, 2019.

NEW SECTION. Sec. 706. (1) Sections 201, 202, 501, 503, 504, and 701 of this act take effect January 1, 2019.

(2) Sections 502 and 507 of this act take effect June 30, 2019."

On page 1, line 3 of the title, after "education;" strike the remainder of the title and insert "amending RCW 28A.310.020, 28A.195.010, 28A.195.030, 28A.195.060, 28A.230.010, 28A.300.236, 28A.700.070, 28A.655.070, 28A.305.140, 28A.305.140, 28A.300.545, 28A.655.180, 28A.655.180, and 28A.150.250; reenacting and amending RCW 28A.230.097; adding a new section to chapter 28A.150 RCW; adding a new section to chapter 28A.230 RCW; adding a new section to chapter 28A.300 RCW; adding a new section to chapter 28A.305 RCW; adding a new section to chapter 28A.300 RCW; creating new sections; recodifying RCW 28A.305.140; repealing RCW 28A.305.141 and 28A.305.142; providing effective dates; and providing an expiration date."

MOTION

Senator Wellman moved that the following floor amendment no. 834 by Senator Wellman be adopted:

On page 12, line 25 of the amendment, after "(11)" insert "The superintendent shall review available and appropriate options for competency-based assessments that meet the essential academic learning requirements. In accordance with the review required by this subsection, the superintendent shall provide a report and recommendations to the education committees of the house of representatives and the senate by November 1, 2019.

(12)"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 20, beginning on line 9 of the amendment, strike all of section 703

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 21, line 6 of the title amendment, after "creating" strike "new sections" and insert "a new section"

Senator Wellman spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 834 by Senator Wellman on page 12, line 25 to the committee striking amendment.

The motion by Senator Wellman carried and floor amendment no. 834 was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Early Learning & K-12 Education as amended to Substitute House Bill No. 2824.

The motion by Senator Wellman carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Wellman, the rules were suspended, Substitute House Bill No. 2824 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Zeiger spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2824 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2824 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE HOUSE BILL NO. 2824, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED HOUSE BILL NO. 2861, by Representatives Ortiz-Self, Lovick, Klippert, Kilduff, Kagi, Frame, Jinkins, Macri, Kloba, Pollet and Goodman

Expanding the provision of trauma-informed child care.

The measure was read the second time.

MOTION

On motion of Senator Wellman, the rules were suspended, Engrossed House Bill No. 2861 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Zeiger spoke in favor of passage of the bill.

Senators Short and Padden spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2861.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2861 and the bill passed the Senate by the following vote: Yeas, 35; Nays, 14; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Frockt, Hasegawa, Hawkins, Hobbs, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Sheldon, Takko, Van De Wege, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Honeyford, Padden, Schoesler, Short, Wagoner, Warnick and Wilson

ENGROSSED HOUSE BILL NO. 2861, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1239, by House Committee on Health Care & Wellness (originally sponsored by Representative Sullivan)

Concerning requests for medical records to support an application for social security benefits.

The measure was read the second time.

MOTION

Senator Cleveland moved that the following committee striking amendment by the Committee on Health & Long Term Care be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 70.02.030 and 2014 c 220 s 15 are each amended to read as follows:

(1) A patient may authorize a health care provider or health care facility to disclose the patient's health care information. A

health care provider or health care facility shall honor an authorization and, if requested, provide a copy of the recorded health care information unless the health care provider or health care facility denies the patient access to health care information under RCW 70.02.090.

(2)(a) Except as provided in (b) of this subsection, a health care provider or health care facility may charge a reasonable fee for providing the health care information and is not required to honor an authorization until the fee is paid.

(b) Upon request of a patient or a patient's personal representative, a health care facility or health care provider shall provide the patient or representative with one copy of the patient's health care information free of charge if the patient is appealing the denial of federal supplemental security income or social security disability benefits. The patient or representative may complete a disclosure authorization specifying the health care information requested and provide it to the health care facility or health care provider. The health care facility or health care provider may provide the health care information in either paper or electronic format. A health care facility or health care provider is not required to provide a patient or a patient's personal representative with a free copy of health care information that has previously been provided free of charge pursuant to a request within the preceding two years.

(3) To be valid, a disclosure authorization to a health care provider or health care facility shall:

- (a) Be in writing, dated, and signed by the patient;
- (b) Identify the nature of the information to be disclosed;
- (c) Identify the name and institutional affiliation of the person or class of persons to whom the information is to be disclosed;
- (d) Identify the provider or class of providers who are to make the disclosure;
- (e) Identify the patient; and
- (f) Contain an expiration date or an expiration event that relates to the patient or the purpose of the use or disclosure.

(4) Unless disclosure without authorization is otherwise permitted under RCW 70.02.050 or the federal health insurance portability and accountability act of 1996 and its implementing regulations, an authorization may permit the disclosure of health care information to a class of persons that includes:

- (a) Researchers if the health care provider or health care facility obtains the informed consent for the use of the patient's health care information for research purposes; or
- (b) Third-party payors if the information is only disclosed for payment purposes.

(5) Except as provided by this chapter, the signing of an authorization by a patient is not a waiver of any rights a patient has under other statutes, the rules of evidence, or common law.

(6) When an authorization permits the disclosure of health care information to a financial institution or an employer of the patient for purposes other than payment, the authorization as it pertains to those disclosures shall expire one year after the signing of the authorization, unless the authorization is renewed by the patient.

(7) A health care provider or health care facility shall retain the original or a copy of each authorization or revocation in conjunction with any health care information from which disclosures are made.

(8) Where the patient is under the supervision of the department of corrections, an authorization signed pursuant to this section for health care information related to mental health or drug or alcohol treatment expires at the end of the term of supervision, unless the patient is part of a treatment program that requires the continued exchange of information until the end of the period of treatment.

Sec. 2. RCW 70.02.045 and 2015 c 289 s 1 are each amended to read as follows:

Third-party payors shall not release health care information disclosed under this chapter, except as required by chapter 43.371 RCW and section 4 of this act and to the extent that health care providers are authorized to do so under RCW 70.02.050, 70.02.200, and 70.02.210.

Sec. 3. RCW 70.02.080 and 1993 c 448 s 5 are each amended to read as follows:

(1) Upon receipt of a written request from a patient to examine or copy all or part of the patient's recorded health care information, a health care provider, as promptly as required under the circumstances, but no later than fifteen working days after receiving the request shall:

(a) Make the information available for examination during regular business hours and provide a copy, if requested, to the patient;

(b) Inform the patient if the information does not exist or cannot be found;

(c) If the health care provider does not maintain a record of the information, inform the patient and provide the name and address, if known, of the health care provider who maintains the record;

(d) If the information is in use or unusual circumstances have delayed handling the request, inform the patient and specify in writing the reasons for the delay and the earliest date, not later than twenty-one working days after receiving the request, when the information will be available for examination or copying or when the request will be otherwise disposed of; or

(e) Deny the request, in whole or in part, under RCW 70.02.090 and inform the patient.

(2) Upon request, the health care provider shall provide an explanation of any code or abbreviation used in the health care information. If a record of the particular health care information requested is not maintained by the health care provider in the requested form, the health care provider is not required to create a new record or reformulate an existing record to make the health care information available in the requested form. Except as provided in RCW 70.02.030, the health care provider may charge a reasonable fee for providing the health care information and is not required to permit examination or copying until the fee is paid.

NEW SECTION. Sec. 4. A new section is added to chapter 48.43 RCW to read as follows:

Upon request of a covered person or a covered person's personal representative, an issuer shall provide the covered person or representative with one copy of the covered person's health care information free of charge if the covered person is appealing the denial of federal supplemental security income or social security disability benefits. The issuer may provide the health care information in either paper or electronic format. An issuer is not required to provide a covered person or a covered person's personal representative with a free copy of health care information that has previously been provided free of charge pursuant to a request within the preceding two years. For purposes of this section, "health care information" has the same meaning as in RCW 70.02.010."

On page 1, line 2 of the title, after "benefits;" strike the remainder of the title and insert "amending RCW 70.02.030, 70.02.045, and 70.02.080; and adding a new section to chapter 48.43 RCW."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health & Long Term Care to Engrossed Substitute House Bill No. 1239.

The motion by Senator Cleveland carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Cleveland, the rules were suspended, Engrossed Substitute House Bill No. 1239 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Cleveland and Darneille spoke in favor of passage of the bill.

Senator Becker spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1239 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1239 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 40; Nays, 9; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Billig, Braun, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Walsh, Wellman, Wilson and Zeiger

Voting nay: Senators Angel, Bailey, Becker, Brown, Ericksen, Honeyford, Padden, Wagoner and Warnick

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1239, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2627, by House Committee on Finance (originally sponsored by Representatives Springer and Stokesbary)

Concerning authorizations of proposals for emergency medical care and service levies.

The measure was read the second time.

MOTION

Senator Lias moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 84.52.069 and 2012 c 115 s 1 are each amended to read as follows:

(1) As used in this section, "taxing district" means a county, emergency medical service district, city or town, public hospital district, urban emergency medical service district, regional fire protection service authority, or fire protection district.

(2) Except as provided in subsection (10) of this section, a taxing district may impose additional regular property tax levies in an amount equal to fifty cents or less per thousand dollars of the assessed value of property in the taxing district. The tax is imposed (a) each year for six consecutive years, (b) each year for

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ten consecutive years, or (c) permanently. Except as otherwise provided in this subsection, a permanent tax levy under this section, or the initial imposition of a six-year or ten-year levy under this section, must be specifically authorized by a majority of at least three-fifths of the registered voters thereof approving a proposition authorizing the levies submitted at a general or special election, at which election the number of persons voting "yes" on the proposition (~~shall~~) must constitute three-fifths of a number equal to forty percent of the total number of voters voting in such taxing district at the last preceding general election when the number of registered voters voting on the proposition does not exceed forty percent of the total number of voters voting in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the registered voters thereof voting on the proposition when the number of registered voters voting on the proposition exceeds forty percent of the total number of voters voting in such taxing district in the last preceding general election. The (~~uninterrupted continuation~~) subsequent approval of a six-year or ten-year tax levy under this section must be specifically authorized by a majority of the registered voters thereof approving a proposition authorizing the levies submitted at a general or special election. If the entire region comprising a newly formed regional fire protection service authority was subject to the levy authorized under this section immediately prior to the creation of the authority under chapter 52.26 RCW, the initial imposition of a six-year or ten-year tax levy under this section may be approved by a majority of the registered voters thereof approving the creation of the authority and the related service plan. Ballot propositions must conform with RCW 29A.36.210. A taxing district may not submit to the voters at the same election multiple propositions to impose a levy under this section.

(3) A taxing district imposing a permanent levy under this section (~~shall~~) must provide for separate accounting of expenditures of the revenues generated by the levy. The taxing district must maintain a statement of the accounting which must be updated at least every two years and must be available to the public upon request at no charge.

(4)(a) A taxing district imposing a permanent levy under this section must provide for a referendum procedure to apply to the ordinance or resolution imposing the tax. This referendum procedure must specify that a referendum petition may be filed at any time with a filing officer, as identified in the ordinance or resolution. Within ten days, the filing officer must confer with the petitioner concerning form and style of the petition, issue the petition an identification number, and secure an accurate, concise, and positive ballot title from the designated local official. The petitioner has thirty days in which to secure the signatures of not less than fifteen percent of the registered voters of the taxing district, as of the last general election, upon petition forms which contain the ballot title and the full text of the measure to be referred. The filing officer must verify the sufficiency of the signatures on the petition and, if sufficient valid signatures are properly submitted, must certify the referendum measure to the next election within the taxing district if one is to be held within one hundred eighty days from the date of filing of the referendum petition, or at a special election to be called for that purpose in accordance with RCW 29A.04.330.

(b) The referendum procedure provided in this subsection (4) is exclusive in all instances for any taxing district imposing the tax under this section and supersedes the procedures provided under all other statutory or charter provisions for initiative or referendum which might otherwise apply.

(5) Any tax imposed under this section may be used only for the provision of emergency medical care or emergency medical

services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicles and structures needed for the provision of emergency medical care or emergency medical services.

(6) If a county levies a tax under this section, no taxing district within the county may levy a tax under this section. If a regional fire protection service authority imposes a tax under this section, no other taxing district that is a participating fire protection jurisdiction in the regional fire protection service authority may levy a tax under this section. No other taxing district may levy a tax under this section if another taxing district has levied a tax under this section within its boundaries: PROVIDED, That if a county levies less than fifty cents per thousand dollars of the assessed value of property, then any other taxing district may levy a tax under this section equal to the difference between the rate of the levy by the county and fifty cents: PROVIDED FURTHER, That if a taxing district within a county levies this tax, and the voters of the county subsequently approve a levying of this tax, then the amount of the taxing district levy within the county must be reduced, when the combined levies exceed fifty cents. Whenever a tax is levied countywide, the service must, insofar as is feasible, be provided throughout the county: PROVIDED FURTHER, That no countywide levy proposal may be placed on the ballot without the approval of the legislative authority of (~~each city exceeding fifty thousand population within the county~~) a majority of at least seventy-five percent of all cities exceeding a population of fifty thousand within the county: AND PROVIDED FURTHER, That this section and RCW 36.32.480 (~~shall~~) may not prohibit any city or town from levying an annual excess levy to fund emergency medical services: AND PROVIDED, FURTHER, That if a county proposes to impose tax levies under this section, no other ballot proposition authorizing tax levies under this section by another taxing district in the county may be placed before the voters at the same election at which the county ballot proposition is placed: AND PROVIDED FURTHER, That any taxing district emergency medical service levy that is limited in duration and that is authorized subsequent to a county emergency medical service levy that is limited in duration, expires concurrently with the county emergency medical service levy. A fire protection district that has annexed an area described in subsection (10) of this section may levy the maximum amount of tax that would otherwise be allowed, notwithstanding any limitations in this subsection (6).

(7) The limitations in RCW 84.52.043 do not apply to the tax levy authorized in this section.

(8) If a ballot proposition approved under subsection (2) of this section did not impose the maximum allowable levy amount authorized for the taxing district under this section, any future increase up to the maximum allowable levy amount must be specifically authorized by the voters in accordance with subsection (2) of this section at a general or special election.

(9) The limitation in RCW 84.55.010 does not apply to the first levy imposed pursuant to this section following the approval of such levy by the voters pursuant to subsection (2) of this section.

(10) For purposes of imposing the tax authorized under this section, the boundary of a county with a population greater than one million five hundred thousand does not include all of the area of the county that is located within a city that has a boundary in two counties, if the locally assessed value of all the property in the area of the city within the county having a population greater than one million five hundred thousand is less than two hundred fifty million dollars.

(11) For purposes of this section, the following definitions apply:

(a) "Fire protection jurisdiction" means a fire protection

district, city, town, Indian tribe, or port district; and

(b) "Participating fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district that is represented on the governing board of a regional fire protection service authority."

On page 1, line 2, after "levies;" strike the remainder of the title and insert "and amending RCW 84.52.069."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Substitute House Bill No. 2627.

The motion by Senator Liias carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Liias, the rules were suspended, Substitute House Bill No. 2627 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Liias spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2627 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2627 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 36; Nays, 13; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Billig, Braun, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Fortunato, Frockt, Hawkins, Hobbs, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Sheldon, Takko, Van De Wege, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Bailey, Becker, Brown, Ericksen, Hasegawa, Honeyford, Padden, Schoesler, Short, Wagoner, Warnick and Wilson

SUBSTITUTE HOUSE BILL NO. 2627, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Braun: "Thank you Mr. President. So my good neighbor here from the 42nd took a moment this morning to talk about the record snow base at Mr. Baker and I really appreciate it, but I thought I too would like to share the record snow falls in my neck of the woods. Now, it's unclear whether White Pass is in my district or Senator King's district, but either way we do have record snow falls and while they're not quite as significant as Mt. Baker it is still a fine place to go for your skiing pleasure once we wrap up here in about a week. So Thank you Mr. President."

REPLY BY THE PRESIDENT

President Habib: "It seems Senator Ericksen got us started down a slippery slope."

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1896, by House Committee on Appropriations (originally sponsored by Representatives Dolan, Stonier, Lovick, Springer, Appleton, Bergquist, Manweller, Tarleton, Frame, Goodman and Ormsby)

Expanding civics education in public schools. Revised for 2nd Substitute: Expanding civics education in public school.

The measure was read the second time.

MOTION

Senator Wellman moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that effective civics education teaches students how to be active, informed, and engaged citizens. The legislature recognizes that RCW 28A.150.210 identifies civics as one component of a basic education and that one-half credit in civics is required for high school graduation. The required civics content, however, may be embedded in another social studies course.

Civics requirements are meant to ensure that every student receives a high-quality civics education from kindergarten through twelfth grade. The legislature also recognizes, however, that two factors limit the effectiveness of civics education.

First, when the one-half civics credit is embedded in other courses rather than taught in a stand-alone civics course, the required content is easily diluted or ignored altogether. Pressure to emphasize other areas of the curriculum can relegate civics education to a lesser role.

Second, professional development opportunities for teachers in civics education are rare. In many districts, due to limited budgets and competing demands for funding, opportunities for teachers to deepen instructional and curricular practices in civics do not exist.

The legislature, therefore, intends to: Require school districts to provide a mandatory stand-alone civics course for all high school students; and support the development of an in-depth and interactive teacher professional development program to improve the ability of teachers throughout the state to provide students with an effective civics education from kindergarten through twelfth grade. This expanded civics education program seeks to ensure that students have basic knowledge about national, state, tribal, and local governments, and that they develop the skills and dispositions needed to become informed and engaged citizens.

"NEW SECTION. Sec. 2. A new section is added to chapter 28A.230 RCW to read as follows:

(1)(a) Beginning with or before the 2020-21 school year, each school district that operates a high school must provide a mandatory one-half credit stand-alone course in civics for each high school student. Except as provided by (c) of this subsection, civics content and instruction embedded in other social studies courses do not satisfy the requirements of this subsection.

(b) Credit awarded to students who complete the civics course must be applied to course credit requirements in social studies that are required for high school graduation.

(c) Civics content and instruction required by this section may be embedded in social studies courses that offer students the opportunity to earn both high school and postsecondary credit.

(2) The content of the civics course must include, but is not limited to:

(a) Federal, state, tribal, and local government organization and procedures;

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- (b) Rights and responsibilities of citizens addressed in the Washington state and United States Constitutions;
- (c) Current issues addressed at each level of government;
- (d) Electoral issues, including elections, ballot measures, initiatives, and referenda;
- (e) The study and completion of the civics component of the federally administered naturalization test required of persons seeking to become naturalized United States citizens; and
- (f) The importance in a free society of living the basic values and character traits specified in RCW 28A.150.211.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.415 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, an expanded civics education teacher training program is established within the office of the superintendent of public instruction.

(2) The program must provide for the selection of a team of qualified social studies teachers, and when appropriate, civics education specialists, from across the state who will:

(a) Develop teacher training materials using existing open educational resources (OERs) that include civics information on national, state, tribal, and local government, and the civics component of the federally administered naturalization test required of persons seeking to become naturalized United States citizens;

(b) Provide teacher training across the state, consistent with provisions in this chapter, and using the tools established by the office of the superintendent of public instruction including the college, career, and civic life (C3) framework and the six proven instructional practices for enhancing civic education; and

(c) Provide professional learning opportunities as described in section 2(3), chapter 77, Laws of 2016, which states that professional learning shall incorporate differentiated, coherent, sustained, and evidence-based strategies that improve educator effectiveness and student achievement, including job-embedded coaching or other forms of assistance to support educators' transfer of new knowledge and skills into their practice.

(3) The program shall assure an increase in the number of:

(a) Teachers with the knowledge and skills to effectively engage students in civics education;

(b) Students who have a basic understanding of how governments work; and

(c) Students from every demographic and socioeconomic group who know their rights and responsibilities within society and are prepared to exercise them.

(4) The office of the superintendent of public instruction may accept gifts and grants to assist with the establishment and implementation of the program established in this section.

NEW SECTION. Sec. 4. A new section is added to chapter 28A.300 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall select two school districts that are diverse in size and in geographic and demographic makeup to serve as demonstration sites for enhanced civics education. These demonstration sites will:

(1) Implement and assess an in-depth civics education program that includes the six proven instructional practices for enhancing civic education in kindergarten through twelfth grade classrooms;

(2) Collaborate with programs and agencies in the local community in order to expand after-school and summer civics education opportunities;

(3) Monitor and report the level of penetration of civics education in school and out-of-school programs;

(4) Ensure that underserved students including rural, low-income, immigrant, and refugee students are prioritized in the implementation of programs;

(5) Develop evaluation standards and a procedure for endorsing civics education curriculum that can be recommended for use in other school districts and out-of-school programs; and

(6) Provide an annual report on the demonstration sites by December 1st each year to the governor and the committees of the legislature with oversight over K-12 education.

NEW SECTION. Sec. 5. RCW 28A.230.093 (Social studies course credits—Civics coursework) and 2009 c 223 s 3 are each repealed.

NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2018, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "schools;" strike the remainder of the title and insert "adding a new section to chapter 28A.230 RCW; adding a new section to chapter 28A.415 RCW; adding a new section to chapter 28A.300 RCW; creating new sections; and repealing RCW 28A.230.093."

MOTION

Senator Billig moved that the following floor amendment no. 756 by Senator Billig be adopted:

On page 4, beginning on line 17 of the amendment, strike all of section 6

On page 4, line 24 of the title amendment, after "creating" strike "new sections" and insert "a new section"

Senator Billig spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 756 by Senator Billig on page 4, line 17 to the committee striking amendment.

The motion by Senator Billig carried and floor amendment no. 756 was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means as amended to Second Substitute House Bill No. 1896.

The motion by Senator Wellman carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Wellman, the rules were suspended, Second Substitute House Bill No. 1896 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman and Zeiger spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1896 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1896 as amended by the Senate and the

bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yeas: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SECOND SUBSTITUTE HOUSE BILL NO. 1896, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1439, by House Committee on Appropriations (originally sponsored by Representatives Pollet, Haler, Tarleton, Fey, Sells, Orwall, Ryu, Stanford and Dolan)

Regulating the institutions of higher education, including for-profit institutions and private vocational schools, to protect students from unfair business practices.

The measure was read the second time.

MOTION

Senator Ranker moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

NEW SECTION. **Sec. 1.** (1) In 2016, the student achievement council contracted with the William D. Ruckelshaus center to conduct a two-part study analyzing the system of for-profit degree-granting institutions and private vocational schools in Washington. The Ruckelshaus center issued its first report in December 2016, followed by facilitated discussions amongst agencies and stakeholders that resulted in a second report issued in 2017. This act incorporates some of the findings and recommendations from the first phase of the report, including the benefits of ensuring that recruitment advertising and materials are consistent with state and federal verified data. In addition, this act incorporates findings regarding the need for a single student complaint portal and for agencies to have timely access to trust funds for tuition recovery and other methods of responding when schools close. This act also authorizes the second part of the study, as recommended by the center, that will include discussions of agency jurisdiction and consistency and how to improve the agencies' abilities to respond to school closures.

(2) The legislature finds that there are many private for-profit and nonprofit career colleges and degree-granting institutions providing Washington state residents with important postsecondary and career opportunities that contribute to the economic security of Washington residents and aid in meeting the needs of our state's growing economy. The legislature also recognizes that there have been high profile closures of, or federal and other state determinations regarding, some for-profit or formerly for-profit institutions that have damaged the reputation of the sector and impacted the expectations and financial stability of some students. It is the legislature's intent to provide a

framework to ensure a level playing field exists for the many institutions that provide disclosures to prospective students based on verifiable metrics, which allow prospective students to be able to make the best decisions on school and career choices and on financial aid and loans to finance their educational goals. The legislature also intends to ensure that students are provided the information they need to make the best decisions for their educational future and careers in event of closure or potential closure of an institution. In addition, the legislature intends to protect the state's interest in the integrity of its grant and aid programs, from private decisions to close schools or programs under circumstances that may prevent students from obtaining the degree or certificate and career services that the students expected upon enrollment.

NEW SECTION. **Sec. 2.** (1) Subject to the availability of amounts appropriated for this specific purpose, up to seventy-five thousand dollars, the student achievement council must continue administering the two-part study of for-profit degree-granting institutions and private vocational schools that was authorized under section 609, chapter 36, Laws of 2016 sp. sess.

(2) As part of the second part of the process, the study must contain findings and recommendations regarding the creation of an ombuds to serve students of degree-granting institutions and private vocational schools, including a recommendation on which state agency should house the position, and if there are other ombuds positions created by the legislature that can serve these students. The study must also contain recommendations on strengthening agencies' abilities to respond to, and protect student consumers from, school closures. Recommendations on agency responses include the use of trust funds and surety bonds for tuition recovery and other related losses.

(3) The student achievement council and the workforce training and education coordinating board must provide a report on the study to the legislature by December 31, 2018.

Sec. 3. RCW 28B.85.090 and 2012 c 229 s 550 are each amended to read as follows:

(1) Complaints may be filed with the council under this chapter by a person claiming loss of tuition or fees as a result of an unfair business practice (~~may file a complaint with the council~~). The complaint shall set forth the alleged violation and shall contain information required by the council. A complaint may also be filed with the council by an authorized staff member of the council or by the attorney general.

(2) The council shall investigate any complaint under this section and may attempt to bring about a settlement. The council may hold a hearing pursuant to the Administrative Procedure Act, chapter 34.05 RCW, in order to determine whether a violation has occurred. If the council prevails, the degree-granting institution shall pay the costs of the administrative hearing.

(3) If, after the hearing, the council finds that the institution or its agent engaged in or is engaging in any unfair business practice, the council shall issue and cause to be served upon the violator an order requiring the violator to cease and desist from the act or practice and may impose the penalties under RCW 28B.85.100 and section 4 of this act. If the council finds that the complainant has suffered loss as a result of the act or practice, the council may order full or partial restitution for the loss. The complainant is not bound by the council's determination of restitution and may pursue any other legal remedy.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28B.85 RCW to read as follows:

(1)(a) The council may deny, revoke, or suspend the authorization of any degree-granting institution authorized to operate under this chapter that is found to be in violation of this

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chapter.

(b) The council may not delegate to any other state its authority to oversee and enforce compliance with this chapter or its authority to respond to complaints by students in this state, regardless of whether the institution is authorized by, or has its home in, another state. Under RCW 28B.85.020(1)(c), participation in interstate reciprocity agreements consistent with the purposes of this chapter does not delegate authority for compliance with this chapter or authority to respond to student complaints.

(2) It is a violation of this chapter for a degree-granting institution authorized to operate under this chapter or an agent employed by such a degree-granting institution to:

(a) Provide prospective students with any testimonial, endorsement, or other information that a reasonable person would find was likely to mislead or deceive prospective students or the public regarding current practices of the school, current conditions for employment opportunities, postgraduation employment by industry, or probable earnings in the occupation for which the education was designed, the likelihood of obtaining financial aid or low-interest loans for tuition, or the ability of graduates to repay loans;

(b) Use any official United States military logo in advertising or promotional materials; and

(c) Violate the provision of section 5(1)(b) of this act regarding the sale of, or inducing of students to obtain, specific consumer student loan products.

NEW SECTION. Sec. 5. A new section is added to chapter 28B.85 RCW to read as follows:

(1) A degree-granting institution authorized to operate under this chapter must:

(a) Present data about its completion rates, employment rates, loan or indebtedness metrics, or its graduates' median hourly and annual earnings, the posted data consistent with the data posted on the workforce training and education coordinating board's career bridge web site or the data posted by the United States department of education, if the board or the department of education has posted such data;

(b) Not engage in any practice regarding the sale of, or inducing of students to obtain, specific consumer student loan products to fund education that financially benefits any person or entity that has an ownership interest in the institution, unless the institution can demonstrate to the council that the student has exhausted all federal aid options and has been denied noninstitutional private commercial loan products. The prohibition in this subsection (1)(b) applies to any degree-granting institution authorized to operate under this chapter, and any agent of the institution, that has at least one hundred fifty students or more enrolled in the state in any given year or that has been operating in the state for less than two consecutive years. A financial benefit for purposes of this subsection (1)(b) does not include merely having an interest in students with loans enrolling in the institution or assisting students with financial aid matters. For purposes of this subsection (1)(b), "agent" means any employee, officer, or contractor working on behalf of the institution; and

(c) Disclose to the council regarding any pending investigations by an oversight entity, including the nature of that investigation, within thirty days of the degree-granting institution's first knowledge of the investigation. For the purposes of this subsection, "investigation" means any inquiry into possible violations of any applicable laws or accreditation standards. For the purposes of this subsection, "oversight entity" means all of the following:

(i) Any federal or state entity that provides financial aid to students of the institution or approves the institution for

participation in a financial aid program;

(ii) Any state or federal attorney general's office or department of justice;

(iii) Any regulator that approves the operation of the private vocational school;

(iv) The federal consumer financial protection bureau or the federal securities and exchange commission; and

(v) Any accrediting agency.

(2) A violation of any provision of this section is also a violation of RCW 19.86.020 of the consumer protection act. The penalties authorized pursuant to subsection (1) of this section do not preclude remedies available under the provisions of the consumer protection act.

Sec. 6. RCW 28C.10.050 and 2014 c 11 s 2 are each amended to read as follows:

(1) The agency shall adopt by rule minimum standards for entities operating private vocational schools. The minimum standards shall include, but not be limited to, requirements to assess whether a private vocational school is eligible to obtain and maintain a license in this state.

(2) The requirements adopted by the agency shall, at a minimum, require a private vocational school to:

(a) Disclose to the agency information about its ownership and financial position and ~~((t))~~ demonstrate to the agency that the school is financially viable and responsible and that it has sufficient financial resources to fulfill its commitments to students. Financial disclosures provided to the agency shall not be subject to public disclosure under chapter 42.56 RCW;

(b) Follow a uniform statewide cancellation and refund policy as specified by the agency;

(c) Disclose through use of a school catalog, web site, brochure, or other written material, necessary information to students so that students may make informed enrollment decisions. The agency shall specify what data and information ~~((is))~~ are required. To the extent that these web sites or materials present any data on the completion rates, employment rates, loan or indebtedness metrics, and its graduates' median hourly and annual earnings for any of the private vocational schools or its programs, the posted data must be consistent with the data posted on the agency's career bridge web site or the data posted by the United States department of education, if the agency or the department of education has posted such data. Nothing in this subsection requires the agency to make changes to the career bridge web site or add new elements or features to the career bridge web site;

(d) Use an enrollment contract or agreement that includes: (i) The school's cancellation and refund policy, (ii) a brief statement that the school is licensed under this chapter and that inquiries, concerns, or complaints may be made to the agency, and (iii) other necessary information as determined by the agency;

(e) Describe accurately and completely in writing to students before their enrollment prerequisites and requirements for (i) completing successfully the programs of study in which they are interested and (ii) qualifying for the fields of employment for which their education is designed;

(f) Comply with the requirements of RCW 28C.10.084;

(g) Assess the basic skills and relevant aptitudes of each potential student to determine that a potential student has the basic skills and relevant aptitudes necessary to complete and benefit from the program in which the student plans to enroll, including but not limited to administering a United States department of education-approved English as a second language exam before enrolling students for whom English is a second language unless the students provide proof of graduation from a United States high school or proof of completion of a high school equivalency

certificate as provided in RCW 28B.50.536 in English or results of another academic assessment determined appropriate by the agency. Guidelines for such assessments shall be developed by the agency, in consultation with the schools;

(h) Discuss with each potential student the potential student's obligations in signing any enrollment contract and/or incurring any debt for educational purposes. The discussion shall include the inadvisability of acquiring an excessive educational debt burden that will be difficult to repay given employment opportunities and average starting salaries in the potential student's chosen occupation;

(i) Ensure that any enrollment contract between the private vocational school and its students has an attachment in a format provided by the agency. The attachment shall be signed by both the school and the student. The attachment shall stipulate that the school has complied with (h) of this subsection and that the student understands and accepts his or her responsibilities in signing any enrollment contract or debt application. The attachment shall also stipulate that the enrollment contract shall not be binding for at least five days, excluding Sundays and holidays, following signature of the enrollment contract by both parties; ~~(and)~~

(j) Comply with the requirements related to qualifications of administrators and instructors; and

(k) Disclose to the agency regarding any pending investigations by an oversight entity, including the nature of that investigation, within thirty days of the school's first knowledge of the investigation. For the purposes of this subsection, "investigation" means any inquiry into possible violations of any applicable laws or accreditation standards. For the purposes of this subsection, "oversight entity" means all of the following:

(i) Any federal or state entity that provides financial aid to students of the institution or approves the school for participation in a financial aid program;

(ii) Any state or federal attorney general's office or department of justice;

(iii) Any regulator that approves the operation of the private vocational school;

(iv) The federal consumer financial protection bureau or the federal securities and exchange commission; and

(v) Any accrediting agency.

(3) A private vocational school that has at least one hundred fifty students or more in the state during any given year, or that has been operating in the state for less than two consecutive years, or that has not had at least one of its programs recognized by the agency as an eligible training provider for at least two consecutive years, may not engage in any practice regarding the sale of, or inducing of students to obtain, specific consumer student loan products to fund education that financially benefits any person or entity that has an ownership interest in the institution, unless the institution can demonstrate to the agency that the student has exhausted all federal aid options and has been denied noninstitutional private commercial loan products. A financial benefit for purposes of this subsection does not include merely having an interest in students with loans enrolling in the institution or assisting students with financial aid matters. For purposes of this subsection, "agent" means any employee, officer, or contractor working on behalf of the institution.

(4) The agency may deny a private vocational school's application for licensure if the school fails to meet the requirements in this section.

~~((4))~~ (5) The agency may determine that a licensed private vocational school or a particular program of a private vocational school is at risk of closure or termination if:

(a) There is a pattern or history of substantiated student complaints filed with the agency pursuant to RCW 28C.10.120;

or

(b) The private vocational school fails to meet minimum licensing requirements and has a pattern or history of failing to meet the minimum requirements.

~~((5))~~ (6) If the agency determines that a private vocational school or a particular program is at risk of closure or termination, the agency shall require the school to take corrective action.

Sec. 7. RCW 28C.10.110 and 2014 c 11 s 6 are each amended to read as follows:

(1) It is a violation of this chapter for an entity operating a private vocational school to engage in an unfair business practice. The agency may deny, revoke, or suspend the license of any entity that is found to have engaged in a substantial number of unfair business practices or that has engaged in significant unfair business practices.

(2) It is an unfair business practice for an entity operating a private vocational school or an agent employed by a private vocational school to:

(a) Fail to comply with the terms of a student enrollment contract or agreement;

(b) Use an enrollment contract form, catalog, brochure, or similar written material affecting the terms and conditions of student enrollment other than that previously submitted to the agency and authorized for use;

(c) Advertise in the help wanted section of a newspaper or otherwise represent falsely, directly or by implication, that the school is an employment agency, is making an offer of employment or otherwise is attempting to conceal the fact that what is being represented are course offerings of a school;

(d) Represent falsely, directly or by implication, that an educational program is approved by a particular industry or that successful completion of the program qualifies a student for admission to a labor union or similar organization or for the receipt of a state license in any business, occupation, or profession;

(e) Represent falsely, directly or by implication, that a student who successfully completes a course or program of instruction may transfer credit for the course or program to any institution of higher education;

(f) Represent falsely, directly or by implication, in advertising or in any other manner, the school's size, location, facilities, equipment, faculty qualifications, number of faculty, or the extent or nature of any approval received from an accrediting association;

(g) Represent that the school is approved, recommended, or endorsed by the state of Washington or by the agency, except the fact that the school is authorized to operate under this chapter may be stated;

(h) Provide prospective students with: Any testimonial, endorsement, or other information ((which has the tendency)) that a reasonable person would find likely to mislead or deceive prospective students or the public, including those regarding current practices of the school((s)); information regarding rates of completion or postgraduation employment by industry, or its graduates' median hourly or annual earnings, that is not consistent with the presentation of data as established under RCW 28C.10.050(2)(c); current conditions for employment opportunities((s)); postgraduation employment by industry or probable earnings in the occupation for which the education was designed; total cost to obtain a diploma or certificate; the acceptance of a diploma or certificate by employers as a qualification for employment; the acceptance of courses, a diploma, or certificate by higher education institutions; the likelihood of obtaining financial aid or low-interest loans for tuition; and the ability of graduates to repay loans;

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(i) Designate or refer to sales representatives as "counselors," "advisors," or similar terms which have the tendency to mislead or deceive prospective students or the public regarding the authority or qualifications of the sales representatives;

(j) Make or cause to be made any statement or representation in connection with the offering of education if the school or agent knows or reasonably should have known the statement or representation to be false, substantially inaccurate, or misleading;

(k) Engage in methods of advertising, sales, collection, credit, or other business practices which are false, deceptive, misleading, or unfair, as determined by the agency by rule; ((e));

(l) Attempt to recruit students in or within forty feet of a building that contains a welfare or unemployment office. Recruiting includes, but is not limited to canvassing and surveying. Recruiting does not include leaving materials at or near an office for a person to pick up of his or her own accord, or handing a brochure or leaflet to a person provided that no attempt is made to obtain a name, address, telephone number, or other data, or to otherwise actively pursue the enrollment of the individual;

(m) Violate RCW 28C.10.050(3) regarding the sale of, or inducing of students to obtain, specific consumer student loan products; or

(n) Use any official United States military logos in advertising or promotional materials.

Sec. 8. RCW 28C.10.130 and 1986 c 299 s 13 are each amended to read as follows:

(1) Any private vocational school or agent violating RCW 28C.10.060, 28C.10.090, or 28C.10.110 or the applicable agency rules is subject to a civil penalty of not more than one hundred dollars for each separate violation. Each day on which a violation occurs constitutes a separate violation. Multiple violations on a single day may be considered separate violations. The fine may be imposed by the agency under RCW 28C.10.120, or in any court of competent jurisdiction.

(2) In addition to the penalties authorized pursuant to subsection (1) of this section, any violation of any provision of this chapter is also a violation of RCW 19.86.020 of the consumer protection act, pursuant to RCW 28C.10.210. The penalties authorized under subsection (1) of this section do not preclude remedies available under the provisions of the consumer protection act.

NEW SECTION. Sec. 9. A new section is added to chapter 18.16 RCW to read as follows:

(1)(a) For the purpose of providing relief to students impacted by the voluntary or involuntary closure of schools regulated under this chapter, the director shall establish, maintain, and administer a department of licensing tuition recovery trust fund created in section 10 of this act. The department of licensing tuition recovery trust fund shall be established no later than January 1, 2019. All funds collected for the department of licensing tuition recovery trust fund are payable to the state for the benefit and protection of any student or enrollee of a private school licensed under this chapter, for purposes including but not limited to the settlement of claims related to school closures.

(b) No liability accrues to the state from claims made against the department of licensing tuition recovery trust fund.

(2)(a) The director may impose a fee structure, set forth in rule, on schools licensed under this chapter to fund the department of licensing tuition recovery trust fund.

(b) The director must determine an amount that would be sufficient in the department of licensing tuition recovery trust fund to provide relief to students in the event of a school closure. The director shall adopt schedules of times and amounts for

effecting payments of fees. To reach the amount determined, the director may phase in the collection of fees, but must achieve the amount determined to be sufficient no later than five years from the effective date of this section.

(3) Money from the department of licensing tuition recovery trust fund may be used for:

(a) Providing refunds to students affected by school closures;

(b) Securing and administering student records; and

(c) Any other response the director determines is necessary to mitigate impacts of a potential or actual school closure.

(4) In order for a school to be and remain licensed under this chapter, each school owner shall, in addition to other requirements under this chapter, make cash deposits on behalf of the school into the department of licensing tuition recovery trust fund.

(5) The department of licensing tuition recovery trust fund's liability with respect to each participating school commences on the date of the initial deposit into the department of licensing tuition recovery trust fund made on its behalf and ceases one year from the date the school is no longer licensed under this chapter.

(6) The director shall adopt by rule a matrix for calculating the deposits into the department of licensing tuition recovery trust fund on behalf of each school.

(7) No vested right or interest in deposited funds is created or implied for the depositor at any time during the operation of the department of licensing tuition recovery trust fund or at any such future time that the department of licensing tuition recovery trust fund may be dissolved. All funds deposited are payable to the state for the purposes described in this section. The director shall maintain the department of licensing tuition recovery trust fund, serve appropriate notices to affected owners when scheduled deposits are due, collect deposits, and make disbursements to settle claims against the department of licensing tuition recovery trust fund.

(8) The director shall adopt rules to address notifying potential claimants, settling claims, disbursing funds, and any other processes necessary to implement the purpose of this section.

NEW SECTION. Sec. 10. A new section is added to chapter 18.16 RCW to read as follows:

The department of licensing tuition recovery trust fund is created in the custody of the state treasurer. All receipts from each school owner under section 9 of this act must be deposited into the fund. Expenditures from the fund may be used only for the purposes in section 9 of this act. Only the director or the director's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. Sec. 11. A new section is added to chapter 28B.85 RCW to read as follows:

(1)(a) For the purpose of providing relief to students impacted by the voluntary or involuntary closure of schools regulated under this chapter, the council shall establish, maintain, and administer a student achievement council tuition recovery trust fund created in section 12 of this act. All funds collected for the student achievement council tuition recovery trust fund are payable to the state for the benefit and protection of any student or enrollee of a private school licensed under this chapter, for purposes including but not limited to the settlement of claims related to school closures.

(b) No liability accrues to the state from claims made against the student achievement council tuition recovery trust fund.

(2)(a) The council may impose a fee structure, set forth in rule, on schools licensed under this chapter to fund the student achievement council tuition recovery trust fund.

(b) The council must determine an amount that would be sufficient in the student achievement council tuition recovery trust fund to provide relief to students in the event of a school closure. The council shall adopt schedules of times and amounts for effecting payments of fees. To reach the amount determined, the council may phase in the collection of fees, but must achieve the amount determined to be sufficient no later than five years from the effective date of this section.

(3) Money from the student achievement council tuition recovery trust fund may be used for:

(a) Providing refunds to students affected by school closures;

(b) Securing and administering student records; and

(c) Any other response the council determines is necessary to mitigate impacts of a potential or actual school closure.

(4) In order for a school to be and remain licensed under this chapter, each school owner shall, in addition to other requirements under this chapter, make cash deposits on behalf of the school into a student achievement council tuition recovery trust fund.

(5) The student achievement council tuition recovery trust fund's liability with respect to each participating school commences on the date of the initial deposit into the student achievement council tuition recovery trust fund made on its behalf and ceases one year from the date the school is no longer licensed under this chapter.

(6) The council shall adopt by rule a matrix for calculating the deposits into the student achievement council tuition recovery trust fund on behalf of each school.

(7) No vested right or interest in deposited funds is created or implied for the depositor at any time during the operation of the student achievement council tuition recovery trust fund or at any such future time that the student achievement council tuition recovery trust fund may be dissolved. All funds deposited are payable to the state for the purposes described under this section. The council shall maintain the student achievement council tuition recovery trust fund, serve appropriate notices to affected owners when scheduled deposits are due, collect deposits, and make disbursements to settle claims against the student achievement council tuition recovery trust fund.

(8) The council shall adopt rules to address notifying potential claimants, settling claims, disbursing funds, and any other processes necessary to implement the purpose of this section.

NEW SECTION. Sec. 12. A new section is added to chapter 28B.85 RCW to read as follows:

The student achievement council tuition recovery trust fund is created in the custody of the state treasurer. All receipts from fees imposed on schools licensed under this chapter and section 11 of this act must be deposited into the fund. Expenditures from the fund may be used only for the purposes in section 11 of this act. Only the council may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. Sec. 13. A new section is added to chapter 28B.77 RCW to read as follows:

Within existing resources, the student achievement council, the workforce training and education coordinating board, and the department of licensing shall collaborate to create a single portal for student complaints regarding issues related to consumer protection, disclosures, school or program closures, or other violations committed by institutions regulated by those three agencies. The persons staffing the portal shall refer complaints to the appropriate agency and work as a liaison between the student and relevant agency to assist in resolving the concerns or complaint. Each agency shall ensure that all students enrolled in,

applying to enroll in, or obtaining loans at, institutions regulated by the agency are informed of the portal and how to file complaints. The persons staffing the portal will report to the legislature annually by November 1, 2018, the number of complaints and their resolution status.

Sec. 14. RCW 43.84.092 and 2017 3rd sp.s. c 25 s 50, 2017 3rd sp.s. c 12 s 12, and 2017 c 290 s 8 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of licensing tuition recovery trust fund, the department of retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water assistance

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account, the drinking water assistance administrative account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the electric vehicle charging infrastructure account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the student achievement council tuition recovery trust fund, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation

partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section."

On page 1, line 3 of the title, after "practices;" strike the remainder of the title and insert "amending RCW 28A.85.090, 28C.10.050, 28C.10.110, and 28C.10.130; reenacting and amending RCW 43.84.092; adding new sections to chapter 28B.85 RCW; adding new sections to chapter 18.16 RCW; adding a new section to chapter 28B.77 RCW; creating new sections; and prescribing penalties."

MOTION

Senator Ranker moved that the following floor amendment no. 804 by Senator Ranker be adopted:

On page 4, line 5, after "materials;" strike "and", and insert "or"

The President declared the question before the Senate to be the adoption of floor amendment no. 804 by Senator Ranker on page 4, line 5 to the committee striking amendment.

The motion by Senator Ranker carried and floor amendment no. 804 was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means as amended to Engrossed Second Substitute House Bill No. 1439.

The motion by Senator Ranker carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Ranker, the rules were suspended, Engrossed Second Substitute House Bill No. 1439 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Ranker spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 1439 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 1439 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 31; Nays, 18; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Sheldon, Short, Takko, Van De Wege, Walsh and Wellman

Voting nay: Senators Angel, Bailey, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Honeyford, King, O'Ban, Padden, Rivers, Schoesler, Wagoner, Warnick, Wilson and Zeiger

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1439, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2779, by House Committee on Appropriations (originally sponsored by Representatives Senn, Dent, Eslick, Bergquist, Tharinger, Goodman, Doglio, Pollet, Kloba, Macri and Santos)

Improving access to mental health services for children and youth.

The measure was read the second time.

MOTION

Senator Darneille moved that the following committee striking amendment by the Committee on Human Services & Corrections be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that the children's mental health work group established in chapter 96, Laws of 2016 reported recommendations in December 2016 related to increasing access to adequate, appropriate, and culturally and linguistically relevant mental health services for children and youth. The legislature further finds that legislation implementing many of the recommendations of the children's mental health work group was enacted in 2017. Despite these gains, barriers to service remain and additional work is required to assist children with securing adequate mental health treatment. The legislature further finds that by January 1, 2020, the community behavioral health program must be fully integrated in a managed care health system that provides behavioral and physical health care services to medicaid clients. Therefore, it is

the intent of the legislature to reestablish the children's mental health work group through December 2020 and to implement additional recommendations from the work group in order to improve mental health care access for children and their families.

NEW SECTION. Sec. 2. (1) A children's mental health work group is established to identify barriers to and opportunities for accessing mental health services for children and families and to advise the legislature on statewide mental health services for this population.

(2) The work group shall consist of members and alternates as provided in this subsection. Members must represent the regional, racial, and cultural diversity of all children and families in the state. Members of the children's mental health work group created in chapter 96, Laws of 2016, and serving on the work group as of December 1, 2017, may continue to serve as members of the work group without reappointment.

(a) The president of the senate shall appoint one member and one alternate from each of the two largest caucuses in the senate.

(b) The speaker of the house of representatives shall appoint one member and one alternate from each of the two largest caucuses in the house of representatives.

(c) The governor shall appoint six members representing the following state agencies and offices: The department of children, youth, and families; the department of social and health services; the health care authority; the department of health; the office of homeless youth prevention and protection programs; and the office of the governor.

(d) The governor shall appoint one member representing each of the following:

(i) Behavioral health organizations;

(ii) Community mental health agencies;

(iii) Medicaid managed care organizations;

(iv) A regional provider of co-occurring disorder services;

(v) Pediatricians or primary care providers;

(vi) Providers specializing in infant or early childhood mental health;

(vii) Child health advocacy groups;

(viii) Early learning and child care providers;

(ix) The evidence-based practice institute;

(x) Parents or caregivers who have been the recipient of early childhood mental health services;

(xi) An education or teaching institution that provides training for mental health professionals;

(xii) Foster parents;

(xiii) Providers of culturally and linguistically appropriate health services to traditionally underserved communities;

(xiv) Pediatricians located east of the crest of the Cascade mountains; and

(xv) Child psychiatrists.

(e) The governor shall request participation by a representative of tribal governments.

(f) The superintendent of public instruction shall appoint one representative from the office of the superintendent of public instruction.

(g) The insurance commissioner shall appoint one representative from the office of the insurance commissioner.

(h) The work group shall choose its cochairs, one from among its legislative members and one from among the executive branch members. The representative from the health care authority shall convene at least two, but not more than four, meetings of the work group each year.

(3) The work group shall:

(a) Monitor the implementation of enacted legislation, programs, and policies related to children's mental health, including provider payment for depression screenings for youth

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and new mothers, consultation services for child care providers caring for children with symptoms of trauma, home visiting services, and streamlining agency rules for providers of behavioral health services;

(b) Consider system strategies to improve coordination and remove barriers between the early learning, K-12 education, and health care systems; and

(c) Identify opportunities to remove barriers to treatment and strengthen mental health service delivery for children and youth.

(4) Staff support for the work group, including administration of work group meetings and preparation of the updated report required under subsection (6) of this section, must be provided by the health care authority. Additional staff support for legislative members of the work group may be provided by senate committee services and the house of representatives office of program research.

(5) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(6) The work group shall update the findings and recommendations reported to the legislature by the children's mental health work group in December 2016 pursuant to chapter 96, Laws of 2016. The work group must submit the updated report to the governor and the appropriate committees of the legislature by December 1, 2020.

(7) This section expires December 30, 2020.

Sec. 3. RCW 74.09.495 and 2017 c 226 s 6 are each amended to read as follows:

(1) To better assure and understand issues related to network adequacy and access to services, the authority and the department shall report to the appropriate committees of the legislature by December 1, 2017, and annually thereafter, on the status of access to behavioral health services for children birth through age seventeen using data collected pursuant to RCW 70.320.050.

~~((4))~~ (2) At a minimum, the report must include the following components broken down by age, gender, and race and ethnicity:

(a) The percentage of discharges for patients ages six through seventeen who had a visit to the emergency room with a primary diagnosis of mental health or alcohol or other drug dependence during the measuring year and who had a follow-up visit with any provider with a corresponding primary diagnosis of mental health or alcohol or other drug dependence within thirty days of discharge;

(b) The percentage of health plan members with an identified mental health need who received mental health services during the reporting period; ~~((and))~~

(c) The percentage of children served by behavioral health organizations, including the types of services provided~~((:))~~;

~~((2) The report must also include)~~ (d) The number of children's mental health providers available in the previous year, the languages spoken by those providers, and the overall percentage of children's mental health providers who were actively accepting new patients; and

(e) Data related to mental health and medical services for eating disorder treatment in children and youth by county, including the number of:

(i) Eating disorder diagnoses;

(ii) Patients treated in outpatient, residential, emergency, and inpatient care settings; and

(iii) Contracted providers specializing in eating disorder treatment and the overall percentage of those providers who were

actively accepting new patients during the reporting period.

NEW SECTION. Sec. 4. A new section is added to chapter 74.09 RCW to read as follows:

(1) The authority shall collaborate with the department of children, youth, and families to identify opportunities to leverage medicaid funding for home visiting services.

(2) The authority must contract with a third party to:

(a) Build upon the research and strategies developed in the Washington state home visiting and medicaid financing strategies report submitted by the health care authority to the department of early learning in August 2017; and

(b) Provide a set of recommendations to the legislature by December 1, 2018.

NEW SECTION. Sec. 5. (1) By November 1, 2018, the department of children, youth, and families must:

(a) Develop a common set of definitions to clarify differences between evidence-based, research-based, and promising practices home visiting programs and discrete services provided in the home;

(b) Develop a strategy to expand home visiting programs statewide; and

(c) Collaborate with the health care authority to maximize medicaid and other federal resources in implementing current home visiting programs and the statewide strategy developed under this section.

(2) This section expires December 30, 2018.

Sec. 6. RCW 71.24.385 and 2016 sp.s. c 29 s 510 are each amended to read as follows:

(1) Within funds appropriated by the legislature for this purpose, behavioral health organizations shall develop the means to serve the needs of people:

(a) With mental disorders residing within the boundaries of their regional service area. Elements of the program may include:

(i) Crisis diversion services;

(ii) Evaluation and treatment and community hospital beds;

(iii) Residential treatment;

(iv) Programs for intensive community treatment;

(v) Outpatient services, including family support;

(vi) Peer support services;

(vii) Community support services;

(viii) Resource management services; and

(ix) Supported housing and supported employment services.

(b) With substance use disorders and their families, people incapacitated by alcohol or other psychoactive chemicals, and intoxicated people.

(i) Elements of the program shall include, but not necessarily be limited to, a continuum of substance use disorder treatment services that includes:

(A) Withdrawal management;

(B) Residential treatment; and

(C) Outpatient treatment.

(ii) The program may include peer support, supported housing, supported employment, crisis diversion, or recovery support services.

(iii) The department may contract for the use of an approved substance use disorder treatment program or other individual or organization if the secretary considers this to be an effective and economical course to follow.

(2)(a) The behavioral health organization shall have the flexibility, within the funds appropriated by the legislature for this purpose and the terms of their contract, to design the mix of services that will be most effective within their service area of meeting the needs of people with behavioral health disorders and avoiding placement of such individuals at the state mental

hospital. Behavioral health organizations are encouraged to maximize the use of evidence-based practices and alternative resources with the goal of substantially reducing and potentially eliminating the use of institutions for mental diseases.

(b) The behavioral health organization may allow reimbursement to providers for services delivered through a partial hospitalization or intensive outpatient program. Such payment and services are distinct from the state's delivery of wraparound with intensive services under the T.R. v. Strange and McDermott, formerly the T.R. v. Dreyfus and Porter, settlement agreement.

(3)(a) Treatment provided under this chapter must be purchased primarily through managed care contracts.

(b) Consistent with RCW 71.24.580, services and funding provided through the criminal justice treatment account are intended to be exempted from managed care contracting.

Sec. 7. RCW 71.24.045 and 2016 sp.s. c 29 s 421 are each amended to read as follows:

The behavioral health organization shall:

(1) Contract as needed with licensed service providers. The behavioral health organization may, in the absence of a licensed service provider entity, become a licensed service provider entity pursuant to minimum standards required for licensing by the department for the purpose of providing services not available from licensed service providers;

(2) Operate as a licensed service provider if it deems that doing so is more efficient and cost effective than contracting for services. When doing so, the behavioral health organization shall comply with rules promulgated by the secretary that shall provide measurements to determine when a behavioral health organization provided service is more efficient and cost effective;

(3) Monitor and perform biennial fiscal audits of licensed service providers who have contracted with the behavioral health organization to provide services required by this chapter. The monitoring and audits shall be performed by means of a formal process which insures that the licensed service providers and professionals designated in this subsection meet the terms of their contracts;

(4) Establish reasonable limitations on administrative costs for agencies that contract with the behavioral health organization;

(5) Assure that the special needs of minorities, older adults, individuals with disabilities, children, and low-income persons are met within the priorities established in this chapter;

(6) Maintain patient tracking information in a central location as required for resource management services and the department's information system;

(7) Collaborate to ensure that policies do not result in an adverse shift of persons with mental illness into state and local correctional facilities;

(8) Work with the department to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases;

(9) Work closely with the designated crisis responder to maximize appropriate placement of persons into community services; ~~((and))~~

(10) Coordinate services for individuals who have received services through the community mental health system and who become patients at a state psychiatric hospital to ensure they are transitioned into the community in accordance with mutually agreed upon discharge plans and upon determination by the medical director of the state psychiatric hospital that they no longer need intensive inpatient care; and

(11) Allow reimbursement for time spent supervising persons working toward satisfying supervision requirements established for the relevant practice areas pursuant to RCW 18.225.090.

NEW SECTION. Sec. 8. A new section is added to chapter 74.09 RCW to read as follows:

Upon adoption of a fully integrated managed health care system pursuant to chapter 71.24 RCW, regional service areas:

(1) Must allow reimbursement for time spent supervising persons working toward satisfying supervision requirements established for the relevant practice areas pursuant to RCW 18.225.090; and

(2) may allow reimbursement for services delivered through a partial hospitalization or intensive outpatient program as described in RCW 71.24.385.

NEW SECTION. Sec. 9. (1) The department of social and health services must convene an advisory group of stakeholders to review the parent-initiated treatment process authorized by chapter 71.34 RCW. The advisory group must develop recommendations regarding:

(a) The age of consent for the behavioral health treatment of a minor;

(b) Options for parental involvement in youth treatment decisions;

(c) Information communicated to families and providers about the parent-initiated treatment process; and

(d) The definition of medical necessity for emergency mental health services and options for parental involvement in those determinations.

(2) The advisory group established in this section must review the effectiveness of serving commercially sexually exploited children using parent-initiated treatment, involuntary treatment, or other treatment services delivered pursuant to chapter 71.34 RCW.

(3) By December 1, 2018, the department of social and health services must report the findings and recommendations of the advisory group to the children's mental health work group established in section 2 of this act.

(4) This section expires December 30, 2018.

Sec. 10. RCW 28A.630.500 and 2017 c 202 s 6 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall establish a competitive application process to designate two educational service districts in which to pilot one lead staff person for children's mental health and substance use disorder services.

(2) The office must select two educational service districts as pilot sites by October 1, 2017. When selecting the pilot sites, the office must endeavor to achieve a balanced geographic distribution of sites east of the crest of the Cascade mountains and west of the crest of the Cascade mountains.

(3) The lead staff person for each pilot site must have the primary responsibility for:

(a) Coordinating medicaid billing for schools and school districts in the educational service district;

(b) Facilitating partnerships with community mental health agencies, providers of substance use disorder treatment, and other providers;

(c) Sharing service models;

(d) Seeking public and private grant funding;

(e) Ensuring the adequacy of other system level supports for students with mental health and substance use disorder treatment needs; ~~((and))~~

(f) Collaborating with the other selected project and with the office of the superintendent of public instruction; and

(g) Delivering a mental health literacy curriculum, mental health literacy curriculum resource, or comprehensive instruction

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to students in one high school in each pilot site that:

- (i) Improves mental health literacy in students;
- (ii) Is designed to support teachers; and
- (iii) Aligns with the state health and physical education K-12 learning standards as they existed on January 1, 2018.

(4) The office of the superintendent of public instruction must report on the results of the two pilot projects to the governor and the appropriate committees of the legislature in accordance with RCW 43.01.036 by December 1, 2019. The report must also include:

(a) A case study of an educational service district that is successfully delivering and coordinating children's mental health activities and services. Activities and services may include but are not limited to medicaid billing, facilitating partnerships with community mental health agencies, and seeking and securing public and private funding; and

(b) Recommendations regarding whether to continue or make permanent the pilot projects and how the projects might be replicated in other educational service districts.

(5) This section expires January 1, 2020.

NEW SECTION. Sec. 11. Subject to the availability of amounts appropriated for this specific purpose, the child and adolescent psychiatry residency program at the University of Washington shall offer one additional twenty-four month residency position that is approved by the accreditation council for graduate medical education to one resident specializing in child and adolescent psychiatry. The residency must include a minimum of twelve months of training in settings where children's mental health services are provided under the supervision of experienced psychiatric consultants and must be located west of the crest of the Cascade mountains.

NEW SECTION. Sec. 12. Section 11 of this act takes effect July 1, 2020."

On page 1, line 2 of the title, after "youth;" strike the remainder of the title and insert "amending RCW 74.09.495, 71.24.385, 71.24.045, and 28A.630.500; adding new sections to chapter 74.09 RCW; creating new sections; providing an effective date; and providing expiration dates."

MOTION

Senator Darneille moved that the following floor amendment no. 813 by Senators Darneille and Frockt be adopted:

Beginning on page 4, line 38 of the amendment, after "(2)" strike all material through "2018" on page 5, line 6 and insert "The authority must provide a set of recommendations relevant to subsection (1) of this section to the legislature by December 1, 2018, that builds upon the research and strategies developed in the Washington state home visiting and medicaid financing strategies report submitted by the authority to the department of early learning in August 2017"

Senator Darneille spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 813 by Senators Darneille and Frockt on page 4, line 38 to the committee striking amendment.

The motion by Senator Darneille carried and floor amendment no. 813 was adopted by voice vote.

MOTION

Senator Bailey moved that the following floor amendment no.

841 by Senator Bailey be adopted:

On page 10, after line 23, insert the following:

"**NEW SECTION.** A new section is added to chapter 28A.210 RCW to read as follows:

(1) Every public school must employ at least one mental health counselor in order to allow students reasonable access to a mental health counselor as Mental health counselors must work on-site at schools to increase their visibility and to encourage communication between the students and the mental health counselor. Mental health counselors may, as appropriate, observe classrooms upon request by a teacher or student. Teachers or students may make this request anonymously.

(2) Mental health counselors must be licensed by the state under chapter 18.225 RCW and may only work within the scope of their license."

Senators Bailey and Fortunato spoke in favor of adoption of the amendment to the committee striking amendment.

Senator Darneille spoke against adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 841 by Senator Bailey on page 10, after line 18 to the committee striking amendment.

The motion by Senator Bailey did not carry and floor amendment no. 841 was not adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Human Services & Corrections as amended to Engrossed Second Substitute House Bill No. 2779.

The motion by Senator Darneille carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Darneille, the rules were suspended, Engrossed Second Substitute House Bill No. 2779 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Darneille, O'Ban, Miloscia and Warnick spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 2779 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 2779 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Absent: Senator Van De Wege

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2779, as amended by the Senate, having received the constitutional majority, was declared passed. There being no

objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2951, by House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives McCabe, Gregerson, Stambaugh, Stanford, Walsh, Reeves, Dye, Barkis, Frame, Haler, Jinkins, Kloba, Ormsby, Valdez and Peterson)

Ordering a study to determine how to increase reporting and investigation of missing Native American women.

The measure was read the second time.

MOTION

Senator Hunt moved that the following striking floor amendment no. 830 by Senator Hunt be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that Native American women experience violence at much higher rates than other populations. A recent federal study reported that Native American women face murder rates over ten times the national average. However, many of these crimes often are unsolved and even unreported because there are also very high rates of disappearances among Native American women. Furthermore, there is no comprehensive data collection system for reporting or tracking missing Native American women. This gap in reporting and investigation places Native American women even more vulnerable to violence.

The legislature further finds that although violence against Native American women has been a neglected issue in society, there is a growing awareness of this crisis of violence against Native American women, and a recognition of the need for the criminal justice system to better serve and protect Native American women. The legislature intends to find ways to connect state, tribal, and federal resources to create partnerships in finding ways to solve this crisis facing Native American women in our state.

NEW SECTION. Sec. 2. (1) The Washington state patrol must conduct a study to determine how to increase state criminal justice protective and investigative resources for reporting and identifying missing Native American women in the state. The state patrol must work with the governor's office of Indian affairs to convene meetings with tribal and local law enforcement partners, federally recognized tribes, and urban Indian organizations to determine the scope of the problem, identify barriers, and find ways to create partnerships to increase reporting and investigation of missing Native American women. Consultation and collaboration with federally recognized tribes must be conducted in respect for government-to-government relations. The state patrol also must work with the federal department of justice to increase information sharing and coordinating resources that can focus on reporting and investigating missing Native American women in the state.

(2) By June 1, 2019, the state patrol must report to the legislature on the results of the study, including data and analysis of the number of missing Native American women in the state, identification of barriers in providing state resources to address the issue, and recommendations, including any proposed legislation that may be needed to address the problem.

(3) This section expires December 31, 2019."

On page 1, line 2 of the title, after "women;" strike the remainder of the title and insert "creating new sections; and providing an expiration date."

Senator Hunt spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of striking floor amendment no. 830 by Senator Hunt to Substitute House Bill No. 2951.

The motion by Senator Hunt carried and striking floor amendment no. 830 was adopted by voice vote.

MOTION

On motion of Senator Hunt, the rules were suspended, Substitute House Bill No. 2951 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Hunt, Miloscia and Chase spoke in favor of passage of the bill.

Senator Angel spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2951 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2951 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Erickson, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senator Angel

SUBSTITUTE HOUSE BILL NO. 2951, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator King: "Well I wanted to wait until after we had taken a vote on that bill, the previous bill, and I listened to the conversations and I voted yes on this bill, and I voted yes because it is a very serious problem that needs to be addressed. My concern, and what I would ask the body is the Washington State Patrol can only take this so far. I listened to the speakers that said this is a national issue, there is problems in North Dakota and South Dakota, there's problems in, in various parts. We need to get the FBI involved and we need to make sure that they're aware of how big a problem this is. And I think it's incumbent upon this body to try and do something, to work this beyond the State of Washington and get involvement and lets truly try and solve this issue rather than just kind of putting a Band-Aid on it. So, I appreciate the time you gave me, Mr. President."

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1433, by House Committee on Appropriations (originally sponsored by Representatives Stambaugh, Orwall, Haler, Tarleton, Jinkins, Pollet, Stonier, Ryu, Hargrove, Santos and Doglio)

Decoupling services and activities fees from tuition.

The measure was read the second time.

MOTION

On motion of Senator Ranker, the rules were suspended, Second Substitute House Bill No. 1433 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Ranker spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1433.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1433 and the bill passed the Senate by the following vote: Yeas, 41; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Billig, Braun, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman and Zeiger

Voting nay: Senators Angel, Baumgartner, Becker, Brown, Padden, Rivers, Schoesler and Wilson

SECOND SUBSTITUTE HOUSE BILL NO. 1433, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED HOUSE BILL NO. 2759, by Representatives Doglio, Jinkins, Senn, Pettigrew, Dolan, Hudgins, Stanford, Chapman, Kagi, Appleton, Gregerson, Tarleton, Santos, Kilduff, Pollet, Macri, Frame and Bergquist

Establishing the Washington state women's commission.

The measure was read the second time.

MOTION

Senator Wellman moved that the following committee striking amendment by the Committee on State Government, Tribal Relations & Elections be not adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that it is important to achieve equal opportunity for all of its citizens. The legislature finds that women face unique problems and needs. For economic, social, and historical reasons, a disproportionate number of women find themselves disadvantaged or isolated from

the benefits of equal opportunity. It is the purpose of this chapter to improve the well-being of women, by enabling them to participate fully in all fields of endeavor, assisting them in obtaining governmental services, and promoting equal compensation and fairness in employment for women. The legislature also believes that addressing women's issues and improving the well-being of women will have a positive impact on larger societal issues. The legislature further finds that the development of public policy and the efficient delivery of governmental services to meet the needs of women can be improved by establishing a focal point in state government for the interests of women. Therefore, the legislature deems it necessary to establish in statute the Washington state women's commission to further these purposes. The commission shall address issues relevant to the problems and needs of women, such as domestic violence, child care, child support, sexual discrimination, sexual harassment, equal compensation and job pathways opportunities in employment, and the specific needs of women of color.

NEW SECTION. **Sec. 2.** The Washington state women's commission is established in the office of the governor. The commission shall be administered by an executive director, who shall be appointed by, and serve at the pleasure of, the governor. The governor shall set the salary of the executive director. The executive director shall employ the staff of the commission.

NEW SECTION. **Sec. 3.** (1) The Washington state women's commission shall consist of nine members appointed by the governor with the advice and consent of the senate.

(2) The governor shall consider nominations for membership based upon maintaining a balanced and diverse distribution of ethnic, geographic, gender, sexual orientation, age, socioeconomic status, and occupational representation, where practicable.

(3) All commission members shall serve at the pleasure of the governor, but in no case may any member serve more than three years without formal reappointment by the governor. All legislative advisory members shall serve for a two-year term and the position of any legislative advisory member shall be deemed vacated whenever such member ceases to be a member of the house from which the member was appointed. Of the persons initially appointed by the governor to the commission, three shall be appointed to serve one year, three to serve two years, and three to serve three years. Upon expiration of such terms, subsequent appointments shall be for three years. Any vacancies occurring in the membership of the commission shall be filled for the remainder of the unexpired term in the same manner as the original appointments.

(4) Two members of the senate, one from each of the two major political parties, appointed by the president of the senate, and two members of the house of representatives, one from each of the two major political parties, appointed by the speaker of the house of representatives, shall serve as advisory members.

(5)(a) Nonlegislative members shall be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060.

(b) Legislative members shall be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 44.04.120.

(6) A simple majority of the commission's membership constitutes a quorum for the purpose of conducting business.

NEW SECTION. **Sec. 4.** The director of the Washington state women's commission shall:

(1) Monitor state legislation and advocate for legislation affecting women;

(2) Work with state agencies to assess programs and policies

that affect women;

(3) Coordinate with the minority commissions and human rights commission to address issues of mutual concern; and

(4) Work as a liaison between the public and private sector to eliminate barriers to women's economic equity.

NEW SECTION. Sec. 5. (1) The Washington state women's commission shall have the following duties:

(a) Actively recruit and maintain a list of names of qualified women to fill vacancies on various boards and commissions;

(b) Provide a clearinghouse for information regarding both state and federal legislation as it relates to the purpose of this chapter;

(c) Identify and define specific needs of women of color and provide recommendations for addressing those needs in the biennial report to the legislature and governor under (j) of this subsection;

(d) Consult with state agencies regarding the effect of agency policies, procedures, practices, laws, and administrative rules on the unique problems and needs of women. The commission shall also advise such state agencies on the development and implementation of comprehensive and coordinated policies, plans, and programs focusing on those problems and needs;

(e) Provide resource and referral information to agencies and the public. The commission may gather data and disseminate information to the public in order to implement the purposes of this chapter;

(f) Hold public hearings to gather input on issues related to the unique problems and needs of women. The commission must include in the biennial report submitted under (j) of this subsection the input received and recommendations for addressing the problems and needs discussed at the public hearings;

(g) Advocate for removal of legal and social barriers for women;

(h) Review best practices for sexual harassment policies and training and provide recommendations to state agencies as they update their sexual harassment policies. The commission shall also maintain a file of sexual harassment policies that meet high quality standards and make these files available for agency use;

(i) Review and make recommendations to the legislature on strategies to increase the number of women serving on for-profit corporate boards with gross income of five million dollars or more; and

(j) Submit a report to the appropriate committees of the legislature and the governor every two years detailing the commission's activities. The report submitted must be in electronic format pursuant to RCW 43.01.036.

(2) State agencies must provide appropriate and reasonable assistance to the commission as needed, including gathering data and information, in order for the commission to carry out the purpose of this chapter.

NEW SECTION. Sec. 6. The Washington state women's commission shall have the following powers:

(1) Receive gifts, grants, and endowments from public or private sources that are made for the use or benefit of the commission and to expend the same or any income therefrom according to their terms and the purpose of this chapter. The commission's executive director shall make a report of such funds received from private sources to the office of financial management on a regular basis. Such funds received from private sources shall not be applied to reduce or substitute for the commission's budget as appropriated by the legislature, but shall be applied and expended toward projects and functions authorized by this chapter that were not funded by the legislature.

(2) In carrying out its duties, the commission may establish such relationships with public and private institutions, local governments, private industry, community organizations, and other segments of the general public as may be needed to promote equal opportunity for women in government, education, economic security, employment, and services.

(3) The commission may adopt rules and regulations pursuant to chapter 34.05 RCW as shall be necessary to implement the purpose of this chapter.

NEW SECTION. Sec. 7. The Washington state women's commission must provide staffing support to the interagency committee of state employed women, a volunteer organization that aims to better the lives of state employees by advising the governor and agencies on policies that affect state employed women.

NEW SECTION. Sec. 8. Sections 1 through 7 of this act constitute a new chapter in Title 43 RCW."

On page 1, line 2 of the title, after "commission;" strike the remainder of the title and insert "and adding a new chapter to Title 43 RCW."

The President declared the question before the Senate to not adopt the committee striking amendment by the Committee on State Government, Tribal Relations & Elections to Engrossed House Bill No. 2759.

The motion by Senator Wellman carried and the committee striking amendment was not adopted by voice vote.

MOTION

Senator Wellman moved that the following striking floor amendment no. 831 by Senator Hunt be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that it is important to achieve equal opportunity for all of its citizens. The legislature finds that women face unique problems and needs. For economic, social, and historical reasons, a disproportionate number of women find themselves disadvantaged or isolated from the benefits of equal opportunity. It is the purpose of this chapter to improve the well-being of women, by enabling them to participate fully in all fields of endeavor, assisting them in obtaining governmental services, and promoting equal compensation and fairness in employment for women. The legislature also believes that addressing women's issues and improving the well-being of women will have a positive impact on larger societal issues. The legislature further finds that the development of public policy and the efficient delivery of governmental services to meet the needs of women can be improved by establishing a focal point in state government for the interests of women. Therefore, the legislature deems it necessary to establish in statute the Washington state women's commission to further these purposes. The commission shall address issues relevant to the problems and needs of women, such as domestic violence, child care, child support, sexual discrimination, sexual harassment, equal compensation and job pathways opportunities in employment, and the specific needs of women of color.

NEW SECTION. Sec. 2. The Washington state women's commission is established in the office of the governor. The commission shall be administered by an executive director, who shall be appointed by, and serve at the pleasure of, the governor. The governor shall set the salary of the executive director. The

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executive director shall employ the staff of the commission.

NEW SECTION. Sec. 3. (1) The Washington state women's commission shall consist of nine members appointed by the governor with the advice and consent of the senate.

(2) The governor shall consider nominations for membership based upon maintaining a balanced and diverse distribution of ethnic, geographic, gender, sexual orientation, age, socioeconomic status, and occupational representation, where practicable.

(3) All commission members shall serve at the pleasure of the governor, but in no case may any member serve more than three years without formal reappointment by the governor. All legislative advisory members shall serve for a two-year term and the position of any legislative advisory member shall be deemed vacated whenever such member ceases to be a member of the house from which the member was appointed. Of the persons initially appointed by the governor to the commission, three shall be appointed to serve one year, three to serve two years, and three to serve three years. Upon expiration of such terms, subsequent appointments shall be for three years. Any vacancies occurring in the membership of the commission shall be filled for the remainder of the unexpired term in the same manner as the original appointments.

(4) Two members of the senate, one from each of the two major political parties, appointed by the president of the senate, and two members of the house of representatives, one from each of the two major political parties, appointed by the speaker of the house of representatives, shall serve as advisory members.

(5)(a) Nonlegislative members shall be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060.

(b) Legislative members shall be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 44.04.120.

(6) A simple majority of the commission's membership constitutes a quorum for the purpose of conducting business.

NEW SECTION. Sec. 4. The director of the Washington state women's commission shall:

(1) Monitor state legislation and advocate for legislation affecting women;

(2) Work with state agencies to assess programs and policies that affect women;

(3) Coordinate with the minority commissions and human rights commission to address issues of mutual concern; and

(4) Work as a liaison between the public and private sector to eliminate barriers to women's economic equity.

NEW SECTION. Sec. 5. (1) The Washington state women's commission shall have the following duties:

(a) Actively recruit and maintain a list of names of qualified women to fill vacancies on various boards and commissions;

(b) Provide a clearinghouse for information regarding both state and federal legislation as it relates to the purpose of this chapter;

(c) Identify and define specific needs of women of color and provide recommendations for addressing those needs in the biennial report to the legislature and governor under (j) of this subsection;

(d) Consult with state agencies regarding the effect of agency policies, procedures, practices, laws, and administrative rules on the unique problems and needs of women. The commission shall also advise such state agencies on the development and implementation of comprehensive and coordinated policies, plans, and programs focusing on those problems and needs;

(e) Provide resource and referral information to agencies and

the public. The commission may gather data and disseminate information to the public in order to implement the purposes of this chapter;

(f) Hold public hearings to gather input on issues related to the unique problems and needs of women. The commission must include in the biennial report submitted under (j) of this subsection the input received and recommendations for addressing the problems and needs discussed at the public hearings;

(g) Advocate for removal of legal and social barriers for women;

(h) Review best practices for sexual harassment policies and training and provide recommendations to state agencies as they update their sexual harassment policies. The commission shall also maintain a file of sexual harassment policies that meet high quality standards and make these files available for agency use;

(i) Review and make recommendations to the legislature on strategies to increase the number of women serving on for-profit corporate boards with gross income of five million dollars or more; and

(j) Submit a report to the appropriate committees of the legislature and the governor every two years detailing the commission's activities. The report submitted must be in electronic format pursuant to RCW 43.01.036.

(2) State agencies must provide appropriate and reasonable assistance to the commission as needed, including gathering data and information, in order for the commission to carry out the purpose of this chapter.

NEW SECTION. Sec. 6. The Washington state women's commission shall have the following powers:

(1) Receive gifts, grants, and endowments from public or private sources that are made for the use or benefit of the commission and to expend the same or any income therefrom according to their terms and the purpose of this chapter. The commission's executive director shall make a report of such funds received from private sources to the office of financial management on a regular basis. Such funds received from private sources shall not be applied to reduce or substitute for the commission's budget as appropriated by the legislature, but shall be applied and expended toward projects and functions authorized by this chapter that were not funded by the legislature.

(2) In carrying out its duties, the commission may establish such relationships with public and private institutions, local governments, private industry, community organizations, and other segments of the general public as may be needed to promote equal opportunity for women in government, education, economic security, employment, and services.

(3) The commission may adopt rules and regulations pursuant to chapter 34.05 RCW as shall be necessary to implement the purpose of this chapter.

NEW SECTION. Sec. 7. The Washington state women's commission must provide staffing support to the interagency committee of state employed women, a volunteer organization that aims to better the lives of state employees by advising the governor and agencies on policies that affect state employed women.

NEW SECTION. Sec. 8. On August 26, 1920, with the action of the Tennessee legislature, the Nineteenth Amendment to the United States Constitution was ratified, establishing the right to vote for most American women. However, this right for some women occurred later: Native Americans generally by 1924; many Asians during the mid-twentieth century; and many others following enactment of voting rights legislation during the 1960s.

The introduction, passage, and ratification of the Nineteenth Amendment were the result of decades of work and struggle by women's voting rights advocates throughout the United States, with people from Washington state providing significant leadership.

In 1854, six years after the landmark women's rights convention in Seneca Falls, New York, the Washington territorial legislature initially considered enacting women's right to vote. Susan B. Anthony visited Washington territory in 1871 and addressed the Washington territorial legislature, the first woman in the country to address a state legislative body in session. This spurred the creation of many women's right to vote associations in Washington and other states.

State women's right to vote legislation eventually passed the Washington territorial legislature twice, but each time was found unconstitutional by the territorial supreme court. With the 1910 approval of a state constitutional amendment by the male voters of the state, Washington became the first state in the twentieth century, and the fifth state overall, to enact women's right to vote at the state level.

In 2009, the state of Washington posthumously awarded its highest honor, the medal of merit, to the two key leaders of the Washington women's right to vote movement, Emma Smith DeVoe and May Arkwright Hutton.

The path to women's suffrage was blazed by western states. Washington's action (1910) followed Wyoming (1890), Colorado (1893), Utah (1870), and Idaho (1896). These successes were immediately followed by California (1911) and Oregon (1912), in establishing women's right to vote.

Washington was a major leader in the movement for nationwide women's right to vote. Washington was the first state in the twentieth century to fully enfranchise women and inspired the nationwide campaign that soon brought success in many western states and the territory of Alaska, culminating in the Nineteenth Amendment to the United States Constitution providing for American women throughout the country to vote.

In 2010, the Washington women's history consortium provided leadership for statewide commemoration of the centennial of Washington state women's right to vote, sponsoring and coordinating a wide range of statewide activities.

The centennial of the passage of the Nineteenth Amendment to the United States Constitution, in 2020, offers still greater opportunities for Washingtonians to commemorate and educate themselves and future generations about the importance of voting and civic engagement. Washingtonians and the many visitors to Washington will benefit from learning about and becoming inspired by the historic efforts of the women's right to vote movement in Washington and throughout the nation and the subsequent impacts on life in Washington and the United States.

Therefore, the legislature finds it beneficial to begin the process of preparing for statewide commemoration from 2018 through 2020, of the centennial of the processes of congressional passage of and states' legislative ratification of the Nineteenth Amendment to the United States Constitution, which established the right to vote for American women.

NEW SECTION. Sec. 9. (1) The women's commission must, subject to the availability of amounts appropriated for this specific purpose, work with the Washington women's history consortium to:

(a) Provide leadership for statewide commemoration from 2018 through 2020 of the centennial pertaining to the passage by congress of the Nineteenth Amendment and its subsequent ratification by three-fourths of the state legislatures in August 1920;

(b) Immediately begin preparations for this statewide

commemoration, to include but not be limited to:

(i) Consulting with a wide variety of organizations, institutions, public agencies, educational agencies and institutions, tourism organizations, and the general public about the content and conduct of this statewide commemoration;

(ii) Developing and encouraging others to develop a broad range of widely available educational opportunities for Washingtonians generally, students, and visitors, including significant online educational resources, to:

(A) Learn about the importance of voting in the context of women gaining the right to vote;

(B) Consider the subsequent long-term impacts of women gaining the right to vote;

(C) Learn about the active leadership role of Washingtonians in achieving the nationwide right to vote for women;

(D) Honor the countless participants in the women's suffrage movement; and

(E) Inspire future generations to treasure their right to vote;

(iii) Planning, coordinating, and publicizing events and informational materials for Washingtonians and visitors throughout the state commemorating this centennial;

(c) Create and distribute a portfolio of public humanities programs, and encourage others to do so, to engage Washingtonians and visitors with important aspects of the women's right to vote movement;

(d) Encourage private organizations, schools, institutions of higher education, public agencies, and local governments to organize and participate in activities commemorating the centennial of the Nineteenth Amendment to the United States Constitution;

(e) Coordinate with the regional and national organizations and agencies with respect to their commemorative work;

(f) Coordinate with the national collaborative for women's history sites by contributing a Washington component to the development of a nationwide votes for women trail; and

(g) Administer a grant program for public agencies, educational institutions, and organizations exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code to assist with their commemoration activities.

(2) The women's commission has the following powers and may exercise them as necessary to carry out its duties under subsection (1) of this section:

(a) Appoint task forces and advisory committees;

(b) Work with staff appointed by the Washington state historical society; and

(c) Enter into agreements or contracts.

(3) Legislative members serving on any task force or advisory committee created under this section must be reimbursed for travel expenses in accordance with RCW 44.04.120.

(4) Representatives of state and local governments serving on any task force or advisory committee created under this section must be reimbursed pursuant to the reimbursement policies of their respective entity.

(5) Nonlegislative members serving on any task force or advisory committee created under this section are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

NEW SECTION. Sec. 10. Sections 1 through 7 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 11. Sections 8 and 9 of this act expires July 1, 2021."

On page 1, line 2 of the title, after "commission;" strike the

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remainder of the title and insert "adding a new chapter to Title 43 RCW; creating new sections; and providing an expiration date."

MOTION

Senator Miloscia moved that the following floor amendment no. 836 by Senator Miloscia be adopted:

On page 2, beginning on line 21 of the amendment, after "(4)" strike all material through "members." on line 25 and insert "The two largest caucuses in the senate and the two largest caucuses in the house of representatives shall each appoint two members to serve as advisory members."

Senator Miloscia spoke in favor of adoption of the amendment to the striking amendment.

Senator Hunt spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 836 by Senator Miloscia on page 2, line 21 to striking floor amendment no. 831.

The motion by Senator Miloscia did not carry and floor amendment no. 836 was not adopted by voice vote.

The President declared the question before the Senate to be the adoption of striking floor amendment no. 831 by Senator Hunt to Engrossed House Bill No. 2759.

The motion by Senator Wellman carried and striking floor amendment no. 831 was adopted by voice vote.

MOTION

On motion of Senator Wellman, the rules were suspended, Engrossed House Bill No. 2759 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman, Keiser, Hunt, Baumgartner, Chase and Miloscia spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2759 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2759 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 44; Nays, 5; Absent, 0; Excused, 0.

Voting yea: Senators Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Wagoner, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Padden, Short, Warnick and Wilson

ENGROSSED HOUSE BILL NO. 2759, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO. 2057, by House Committee on Judiciary (originally sponsored by Representative Orwall)

Concerning services and processes available when residential real property is abandoned or in foreclosure. Revised for 1st Substitute: Concerning the services and processes available when residential real property is abandoned or in foreclosure.

The measure was read the second time.

MOTION

Senator Mullet moved that the following committee striking amendment by the Committee on Financial Institutions & Insurance be not adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 61.24.030 and 2012 c 185 s 9 are each amended to read as follows:

It shall be requisite to a trustee's sale:

(1) That the deed of trust contains a power of sale;

(2) That the deed of trust contains a statement that the real property conveyed is not used principally for agricultural purposes; provided, if the statement is false on the date the deed of trust was granted or amended to include that statement, and false on the date of the trustee's sale, then the deed of trust must be foreclosed judicially. Real property is used for agricultural purposes if it is used in an operation that produces crops, livestock, or aquatic goods;

(3) That a default has occurred in the obligation secured or a covenant of the grantor, which by the terms of the deed of trust makes operative the power to sell;

(4) That no action commenced by the beneficiary of the deed of trust is now pending to seek satisfaction of an obligation secured by the deed of trust in any court by reason of the grantor's default on the obligation secured: PROVIDED, That (a) the seeking of the appointment of a receiver, or the filing of a civil case to obtain court approval to access, secure, maintain, and preserve property from waste or nuisance, shall not constitute an action for purposes of this chapter; and (b) if a receiver is appointed, the grantor shall be entitled to any rents or profits derived from property subject to a homestead as defined in RCW 6.13.010. If the deed of trust was granted to secure a commercial loan, this subsection shall not apply to actions brought to enforce any other lien or security interest granted to secure the obligation secured by the deed of trust being foreclosed;

(5) That the deed of trust has been recorded in each county in which the land or some part thereof is situated;

(6) That prior to the date of the notice of trustee's sale and continuing thereafter through the date of the trustee's sale, the trustee must maintain a street address in this state where personal service of process may be made, and the trustee must maintain a physical presence and have telephone service at such address;

(7)(a) That, for residential real property, before the notice of trustee's sale is recorded, transmitted, or served, the trustee shall have proof that the beneficiary is the (~~owner~~) holder of any promissory note or other obligation secured by the deed of trust. A declaration by the beneficiary made under the penalty of perjury stating that the beneficiary is the (~~actual~~) holder of (~~the~~) any promissory note or other obligation secured by the deed of trust shall be sufficient proof as required under this subsection.

(b) Unless the trustee has violated his or her duty under RCW 61.24.010(4), the trustee is entitled to rely on the beneficiary's declaration as evidence of proof required under this subsection.

(c) This subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW;

(8) That at least thirty days before notice of sale shall be recorded, transmitted or served, written notice of default and the beneficiary declaration specified in subsection (7)(a) of this section shall be transmitted by the beneficiary or trustee to the borrower and grantor at their last known addresses by both first-class and either registered or certified mail, return receipt requested, and the beneficiary or trustee shall cause to be posted in a conspicuous place on the premises, a copy of the notice, or personally served on the borrower and grantor. This notice shall contain the following information:

(a) A description of the property which is then subject to the deed of trust;

(b) A statement identifying each county in which the deed of trust is recorded and the document number given to the deed of trust upon recording by each county auditor or recording officer;

(c) A statement that the beneficiary has declared the borrower or grantor to be in default, and a concise statement of the default alleged;

(d) An itemized account of the amount or amounts in arrears if the default alleged is failure to make payments;

(e) An itemized account of all other specific charges, costs, or fees that the borrower, grantor, or any guarantor is or may be obliged to pay to reinstate the deed of trust before the recording of the notice of sale;

(f) A statement showing the total of (d) and (e) of this subsection, designated clearly and conspicuously as the amount necessary to reinstate the note and deed of trust before the recording of the notice of sale;

(g) A statement that failure to cure the alleged default within thirty days of the date of mailing of the notice, or if personally served, within thirty days of the date of personal service thereof, may lead to recordation, transmittal, and publication of a notice of sale, and that the property described in (a) of this subsection may be sold at public auction at a date no less than one hundred twenty days in the future, or no less than one hundred fifty days in the future if the borrower received a letter under RCW 61.24.031;

(h) A statement that the effect of the recordation, transmittal, and publication of a notice of sale will be to (i) increase the costs and fees and (ii) publicize the default and advertise the grantor's property for sale;

(i) A statement that the effect of the sale of the grantor's property by the trustee will be to deprive the grantor of all their interest in the property described in (a) of this subsection;

(j) A statement that the borrower, grantor, and any guarantor has recourse to the courts pursuant to RCW 61.24.130 to contest the alleged default on any proper ground;

(k) In the event the property secured by the deed of trust is owner-occupied residential real property, a statement, prominently set out at the beginning of the notice, which shall state as follows:

**"THIS NOTICE IS ONE STEP IN A PROCESS THAT
COULD RESULT IN YOUR
LOSING YOUR HOME.**

You may be eligible for mediation in front of a neutral third party to help save your home.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit.

Mediation **MUST** be requested between the time you receive the Notice of Default and no later than twenty days after the Notice of Trustee Sale is recorded.

DO NOT DELAY. If you do nothing, a notice of sale may be issued as soon as 30 days from the date of this notice of default. The notice of sale will provide a minimum of 120 days' notice of the date of the actual foreclosure sale.

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Web site:

The United States Department of Housing and Urban Development

Telephone: Web site:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Web site:"

The beneficiary or trustee shall obtain the toll-free numbers and web site information from the department for inclusion in the notice; (~~and~~)

(l) In the event the property secured by the deed of trust is residential real property, the name and address of the (~~owner~~) holder of any promissory note(~~s~~) or other obligation(~~s~~) secured by the deed of trust and the name, address, and telephone number of a party acting as a servicer of the obligations secured by the deed of trust; (~~and~~)

(m) For notices issued after June 30, 2018, on the top of the first page of the notice:

(i) The current beneficiary of the deed of trust;

(ii) The current mortgage servicer for the deed of trust; and

(iii) The current trustee for the deed of trust;

(9) That, for owner-occupied residential real property, before the notice of the trustee's sale is recorded, transmitted, or served, the beneficiary has complied with RCW 61.24.031 and, if applicable, RCW 61.24.163;

(10) That, in the case when the mortgage servicer or trustee knows that the borrower or grantor is deceased, the notice required under subsection (8) of this section must be sent to any spouse, child, or parent of the borrower or grantor, and to any owner of record of the property, at any address provided to the trustee or mortgage servicer, and to the property addressed to the heirs and devisees of the borrower.

(a) If the name or address of any spouse, child, or parent of such deceased borrower or grantor cannot be ascertained with use of reasonable diligence, the trustee must execute and record with the notice of sale a declaration attesting to the same.

(b) Reasonable diligence for the purposes of this subsection (10) means the trustee shall search in the county where the property is located, the public records and information for any obituary, will, death certificate, or case in probate within the county for the borrower and grantor;

(11) Upon written notice identifying the property address and the name of the borrower to the servicer or trustee by someone

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claiming to be a successor in interest to the borrower's or grantor's property rights, but who is not a party to the loan or promissory note or other obligation secured by the deed of trust, a trustee shall not record a notice of sale pursuant to RCW 61.24.040 until the trustee or mortgage servicer completes the following:

(a) Acknowledges the notice in writing and requests reasonable documentation of the death of the borrower or grantor from the claimant including, but not limited to, a death certificate or other written evidence of the death of the borrower or grantor. The claimant must be allowed thirty days from the date of this request to present this documentation. If the trustee or mortgage servicer has already obtained sufficient proof of the borrower's death, it may proceed by acknowledging the claimant's notice in writing and issuing a request under (b) of this subsection.

(b) If the mortgage servicer or trustee obtains or receives written documentation of the death of the borrower or grantor from the claimant, or otherwise independently confirms the death of the borrower or grantor, then the servicer or trustee must request in writing documentation from the claimant demonstrating the ownership interest of the claimant in the real property. A claimant has sixty days from the date of the request to present this documentation.

(c) If the mortgage servicer or trustee receives written documentation demonstrating the ownership interest of the claimant prior to the expiration of the sixty days provided in (b) of this subsection, then the servicer or trustee must, within twenty days of receipt of proof of ownership interest, provide the claimant with, at a minimum, the loan balance, interest rate and interest reset dates and amounts, balloon payments if any, prepayment penalties if any, the basis for the default, the monthly payment amount, reinstatement amounts or conditions, payoff amounts, and information on how and where payments should be made. The mortgage servicers shall also provide the claimant application materials and information, or a description of the process, necessary to request a loan assumption and modification.

(d) Upon receipt by the trustee or the mortgage servicer of the documentation establishing claimant's ownership interest in the real property, that claimant shall be deemed a "successor in interest" for the purposes of this section.

(e) There may be more than one successor in interest to the borrower's property rights. The trustee and mortgage servicer shall apply the provisions of this section to each successor in interest. In the case of multiple successors in interest, where one or more do not wish to assume the loan as coborrowers or coapplicants, a mortgage servicer may require any nonapplicant successor in interest to consent in writing to the application for loan assumption.

(f) The existence of a successor in interest under this section does not impose an affirmative duty on a mortgage servicer or alter any obligation the mortgage servicer has to provide a loan modification to the successor in interest. If a successor in interest assumes the loan, he or she may be required to otherwise qualify for available foreclosure prevention alternatives offered by the mortgage servicer.

(g) (c) of this subsection does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW; and

(12) Nothing in this section shall prejudice the right of the mortgage servicer or beneficiary from discontinuing any foreclosure action initiated under the deed of trust act in favor of other allowed methods for pursuit of foreclosure of the security interest or deed of trust security interest.

Sec. 2. RCW 61.24.040 and 2012 c 185 s 10 are each amended to read as follows:

A deed of trust foreclosed under this chapter shall be foreclosed as follows:

(1) At least ninety days before the sale, or if a letter under RCW 61.24.031 is required, at least one hundred twenty days before the sale, the trustee shall:

(a) Record a notice in the form described in ~~((f) of this)~~ subsection (2) of this section in the office of the auditor in each county in which the deed of trust is recorded;

(b) To the extent the trustee elects to foreclose its lien or interest, or the beneficiary elects to preserve its right to seek a deficiency judgment against a borrower or grantor under RCW 61.24.100(3)(a), and if their addresses are stated in a recorded instrument evidencing their interest, lien, or claim of lien, or an amendment thereto, or are otherwise known to the trustee, cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the following persons or their legal representatives, if any, at such address:

(i)(A) The borrower and grantor;

(B) In the case where the borrower or grantor is deceased, to any successors in interest. If no successor in interest has been established, then to any spouse, child, or parent of the borrower or grantor, at the addresses discovered by the trustee pursuant to RCW 61.24.030(10);

(ii) The beneficiary of any deed of trust or mortgagee of any mortgage, or any person who has a lien or claim of lien against the property, that was recorded subsequent to the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iii) The vendee in any real estate contract, the lessee in any lease, or the holder of any conveyances of any interest or estate in any portion or all of the property described in such notice, if that contract, lease, or conveyance of such interest or estate, or a memorandum or other notice thereof, was recorded after the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iv) The last holder of record of any other lien against or interest in the property that is subject to a subordination to the deed of trust being foreclosed that was recorded before the recordation of the notice of sale;

(v) The last holder of record of the lien of any judgment subordinate to the deed of trust being foreclosed; and

(vi) The occupants of property consisting solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, whether or not the occupant's rental agreement is recorded, which notice may be a single notice addressed to "occupants" for each unit known to the trustee or beneficiary;

(c) Cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the plaintiff or the plaintiff's attorney of record, in any court action to foreclose a lien or other encumbrance on all or any part of the property, provided a court action is pending and a lis pendens in connection therewith is recorded in the office of the auditor of any county in which all or part of the property is located on the date the notice is recorded;

(d) Cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to any person who has recorded a request for notice in accordance with RCW 61.24.045, at the address specified in such person's most recently recorded request for notice;

(e) Cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be posted in a conspicuous place

on the property, or in lieu of posting, cause a copy of said notice to be served upon any occupant of the property(;

(#)) (2)(a) If foreclosing on a commercial loan under RCW 61.24.173, the title of the document must be "Notice of Trustee's Sale of Commercial Loan(s)";

(b) In addition to all other indexing requirements, the notice required in subsection (1) of this section must clearly indicate on the first page the following information, which the auditor will index:

(i) The county or counties in which the deed of trust is recorded;

(ii) The document number or numbers given to the deed of trust upon recording;

(iii) The parcel number(s);

(iv) The grantor;

(v) The current beneficiary of the deed of trust;

(vi) The current trustee of the deed of trust; and

(vii) The current loan mortgage servicer of the deed of trust;

(c) Nothing in this section:

(i) Requires a trustee or beneficiary to cause to be recorded any new notice of trustee's sale upon transfer of the beneficial interest in a deed of trust or the servicing rights for the associated mortgage loan;

(ii) Relieves a mortgage loan servicer of any obligation to provide the borrower with notice of a transfer of servicing rights or other legal obligations related to the transfer; or

(iii) Prevents the trustee from disclosing the beneficiary's identity to the borrower and to county and municipal officials seeking to abate nuisance and abandoned property in foreclosure pursuant to chapter 35.21 RCW.

(d) The notice ((~~shall~~)) must be in substantially the following form:

NOTICE OF TRUSTEE'S SALE

Grantor:

Current beneficiary of the deed of trust:

Current trustee of the deed of trust:

Current mortgage servicer of the deed of trust:

Reference number of the deed of trust:

Parcel number(s):

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee will on the day of, at the hour of o'clock M. at F:\Journal\2018 Journal\Journal2018\LegDay053\street address and location if inside a building.doc in the City of, State of Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County(ies) of, State of Washington, to-wit:

F:\Journal\2018

Journal\Journal2018\LegDay053\If any personal property is to be included in the trustee's sale, include a description that reasonably identifies such personal property.doc

which is subject to that certain Deed of Trust dated, recorded, under Auditor's File No., records of County, Washington, from, as Grantor, to, as Trustee, to secure an obligation in favor of, as Beneficiary, the beneficial interest in which was assigned by, under an Assignment recorded under Auditor's File No. F:\Journal\2018 Journal\Journal2018\LegDay053\Include recording information for all counties if the Deed of Trust is recorded in more than one

county..doc

II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

[If there is another action pending to foreclose other security for all or part of the same debt, qualify the statement and identify the action.]

III.

The default(s) for which this foreclosure is made is/are as follows:

[If default is for other than payment of money, set forth the particulars]

Failure to pay when due the following amounts which are now in arrears:

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal \$, together with interest as provided in the note or other instrument secured from the day of, and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on the day of, . . . The default(s) referred to in paragraph III must be cured by the day of, . . . (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the day of, (11 days before the sale date), the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the day of, . . . (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

.....
.....
.....

by both first-class and certified mail on the day of, . . . , proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on the day of, . . . , with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

VII.

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The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

[Add Part X to this notice if applicable under RCW 61.24.040((9)) (11)]

.....
....., Trustee
.....
.....
.....
.....
..... Address
.....
..... } Phone

[Acknowledgment]

((3)) (3) If the borrower received a letter under RCW 61.24.031, the notice specified in subsection ((1)(f)) (2)(d) of this section shall also include the following additional language:

"THIS NOTICE IS THE FINAL STEP BEFORE THE FORECLOSURE SALE OF YOUR HOME.

You have only 20 DAYS from the recording date on this notice to pursue mediation.

DO NOT DELAY. CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you are eligible and it may help you save your home. See below for safe sources of help.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Web site:

The United States Department of Housing and Urban Development

Telephone: Web site:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Web site:

The beneficiary or trustee shall obtain the toll-free numbers and web site information from the department for inclusion in the

notice;

((2)) (4) In addition to providing the borrower and grantor the notice of sale described in subsection ((1)(f)) (2) of this section, the trustee shall include with the copy of the notice which is mailed to the grantor, a statement to the grantor in substantially the following form:

NOTICE OF FORECLOSURE
Pursuant to the Revised Code of Washington,
Chapter 61.24 RCW

The attached Notice of Trustee's Sale is a consequence of default(s) in the obligation to, the Beneficiary of your Deed of Trust and ((owner)) holder of the obligation secured thereby. Unless the default(s) is/are cured, your property will be sold at auction on the day of,

To cure the default(s), you must bring the payments current, cure any other defaults, and pay accrued late charges and other costs, advances, and attorneys' fees as set forth below by the day of, [11 days before the sale date] To date, these arrears and costs are as follows:

Table with 3 columns: Description, Currently due to reinstate on, Estimated amount that will be due to reinstate on (11 days before the date set for sale). Rows include Delinquent payments, Late charges, Attorneys' fees, Trustee's fee, Trustee's expenses, Title report, Recording fees, Service/Posting of Notices, Postage/Copying expense, Publication, Telephone charges, Inspection fees, and TOTALS.

To pay off the entire obligation secured by your Deed of Trust as of the day of you must pay a total of \$. in principal, \$. in interest, plus other costs and advances estimated to date in the amount of \$. From and after the date of this notice you must submit a written request to the Trustee to obtain the total amount to pay off the entire obligation secured by your Deed of Trust as of the payoff date.

As to the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust, you must cure each such default. Listed below are the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust. Opposite each such listed default is a brief description of the action necessary to cure the default and a description of the documentation necessary to show that the default has been cured.

Default	Description of Action Required to Cure and Documentation Necessary to Show Cure
.....
.....
.....
.....
.....
.....

You may reinstate your Deed of Trust and the obligation secured thereby at any time up to and including the . . . day of [11 days before the sale date], by paying the amount set forth or estimated above and by curing any other defaults described above. Of course, as time passes other payments may become due, and any further payments coming due and any additional late charges must be added to your reinstating payment. Any new defaults not involving payment of money that occur after the date of this notice must also be cured in order to effect reinstatement. In addition, because some of the charges can only be estimated at this time, and because the amount necessary to reinstate or to pay off the entire indebtedness may include presently unknown expenditures required to preserve the property or to comply with state or local law, it will be necessary for you to contact the Trustee before the time you tender reinstatement or the payoff amount so that you may be advised of the exact amount you will be required to pay. Tender of payment or performance must be made to:, whose address is, telephone () AFTER THE . . . DAY OF, YOU MAY NOT REINSTATE YOUR DEED OF TRUST BY PAYING THE BACK PAYMENTS AND COSTS AND FEES AND CURING THE OTHER DEFAULTS AS OUTLINED ABOVE. The Trustee will respond to any written request for current payoff or reinstatement amounts within ten days of receipt of your written request. In such a case, you will only be able to stop the sale by paying, before the sale, the total principal balance (\$) plus accrued interest, costs and advances, if any, made pursuant to the terms of the documents and by curing the other defaults as outlined above.

You may contest this default by initiating court action in the Superior Court of the county in which the sale is to be held. In such action, you may raise any legitimate defenses you have to this default. A copy of your Deed of Trust and documents evidencing the obligation secured thereby are enclosed. You may wish to consult a lawyer. Legal action on your part may prevent or restrain the sale, but only if you persuade the court of the merits of your defense. You may contact the Department of Financial Institutions or the statewide civil legal aid hotline for possible assistance or referrals.

The court may grant a restraining order or injunction to restrain a trustee's sale pursuant to RCW 61.24.130 upon five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge. Notice and other process may be served on the trustee at:

NAME:

ADDRESS:

.....

TELEPHONE NUMBER:

If you do not reinstate the secured obligation and your Deed of Trust in the manner set forth above, or if you do not succeed in restraining the sale by court action, your property will be sold. The effect of such sale will be to deprive you and all those who hold by, through or under you of all interest in the property;

~~((3))~~ (5) In addition, the trustee shall cause a copy of the notice of sale described in subsection ~~((1)(f))~~ (2)(d) of this section (excluding the acknowledgment) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once on or between the thirty-fifth and twenty-eighth day before the date of sale, and once on or between the fourteenth and seventh day before the date of sale;

~~((4))~~ (6) In the case where no successor in interest has been established, and neither the beneficiary nor the trustee are able to ascertain the name and address of any spouse, child, or parent of the borrower or grantor in the manner described in RCW 61.24.030(10), then the trustee may, in addition to mailing notice to the property addressed to the unknown heirs and devisees of the grantor, serve the notice of sale by publication in a newspaper of general circulation in the county or city where the property is located once per week for three consecutive weeks. Upon this service by publication, to be completed not less than thirty days prior to the date the sale is conducted, all unknown heirs shall be deemed served with the notice of sale;

(7) If a servicer or trustee receives notification by someone claiming to be a successor in interest to the borrower or grantor, as under RCW 61.24.030(11), after the recording of the notice of sale, the trustee or servicer must request written documentation within five days demonstrating the ownership interest, provided that, the trustee may, but is not required to, postpone a trustee's sale upon receipt of such notification by someone claiming to be a successor in interest. Upon receipt of documentation establishing a claimant as a successor in interest, the servicer must provide the information in RCW 61.24.030(11)(c). Only if the servicer or trustee receives the documentation confirming someone as successor in interest more than forty-five days before the scheduled sale must the servicer then provide the information in RCW 61.24.030(11)(c) to the claimant not less than twenty days prior to the sale. The foregoing two sentences of this subsection do not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

(8) On the date and at the time designated in the notice of sale, the trustee or its authorized agent shall sell the property at public auction to the highest bidder. The trustee may sell the property in gross or in parcels as the trustee shall deem most advantageous;

~~((5))~~ (9) The place of sale shall be at any designated public place within the county where the property is located and if the property is in more than one county, the sale may be in any of the counties where the property is located. The sale shall be on Friday, or if Friday is a legal holiday on the following Monday, and during the hours set by statute for the conduct of sales of real estate at execution;

~~((6))~~ (10) The trustee has no obligation to, but may, for any cause the trustee deems advantageous, continue the sale for a period or periods not exceeding a total of one hundred twenty days by (a) a public proclamation at the time and place fixed for sale in the notice of sale and if the continuance is beyond the date of sale, by giving notice of the new time and place of the sale by both first class and either certified or registered mail, return receipt requested, to the persons specified in subsection (1)(b)(i) and (ii) of this section to be deposited in the mail (i) not less than four days before the new date fixed for the sale if the sale is continued for up to seven days; or (ii) not more than three days after the date of the continuance by oral proclamation if the sale is continued for more than seven days, or, alternatively, (b) by giving notice of the time and place of the postponed sale in the

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manner and to the persons specified in subsection (1)(b), (c), (d), and (e) of this section and publishing a copy of such notice once in the newspaper(s) described in subsection ((3)) (5) of this section, more than seven days before the date fixed for sale in the notice of sale. No other notice of the postponed sale need be given;

((7)) (11) The purchaser shall forthwith pay the price bid and on payment the trustee shall execute to the purchaser its deed; the deed shall recite the facts showing that the sale was conducted in compliance with all of the requirements of this chapter and of the deed of trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value, except that these recitals shall not affect the lien or interest of any person entitled to notice under subsection (1) of this section, if the trustee fails to give the required notice to such person. In such case, the lien or interest of such omitted person shall not be affected by the sale and such omitted person shall be treated as if such person was the holder of the same lien or interest and was omitted as a party defendant in a judicial foreclosure proceeding;

((8)) (12) The sale as authorized under this chapter shall not take place less than one hundred ninety days from the date of default in any of the obligations secured;

((9)) (13) If the trustee elects to foreclose the interest of any occupant or tenant of property comprised solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, the following notice shall be included as Part X of the Notice of Trustee's Sale:

X. NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.060;

((10)) (14) Only one copy of all notices required by this chapter need be given to a person who is both the borrower and the grantor. All notices required by this chapter that are given to a general partnership are deemed given to each of its general partners, unless otherwise agreed by the parties.

Sec. 3. RCW 61.24.045 and 2008 c 153 s 4 are each amended to read as follows:

Any person desiring a copy of any notice of sale described in RCW 61.24.040((1)(f)) (2) under any deed of trust, other than a person entitled to receive such a notice under RCW 61.24.040(1) (b) or (c), must, after the recordation of such deed of trust and before the recordation of the notice of sale, cause to be filed for record, in the office of the auditor of any county in which the deed of trust is recorded, a duly acknowledged request for a copy of any notice of sale. The request shall be signed and acknowledged by the person to be notified or such person's agent, attorney, or representative; shall set forth the name, mailing address, and telephone number, if any, of the person or persons to be notified; shall identify the deed of trust by stating the names of the parties thereto, the date the deed of trust was recorded, the legal description of the property encumbered by the deed of trust, and the auditor's file number under which the deed of trust is recorded; and shall be in substantially the following form:

REQUEST FOR NOTICE

Request is hereby made that a copy of any notice of sale described in RCW 61.24.040((1)(f)) (2) under that certain Deed of Trust dated, ((20--)) (year), recorded on, ((20--)) (year), under auditor's file No., records of County, Washington, from, as Grantor, to, as Trustee, to secure an obligation in favor of, as Beneficiary, and affecting the following described real property:

(Legal Description)

be sent by both first-class and either registered or certified mail, return receipt requested, to at

Dated this day of, ((20--)) (year)

Signature

(Acknowledgment)

A request for notice under this section shall not affect title to, or be deemed notice to any person that any person has any right, title, interest in, lien or charge upon, the property described in the request for notice.

Sec. 4. RCW 61.24.050 and 2012 c 185 s 14 are each amended to read as follows:

(1) Upon physical delivery of the trustee's deed to the purchaser, or a different grantee as designated by the purchaser following the trustee's sale, the trustee's deed shall convey all of the right, title, and interest in the real and personal property sold at the trustee's sale which the grantor had or had the power to convey at the time of the execution of the deed of trust, and such as the grantor may have thereafter acquired. Except as provided in subsection (2) of this section, if the trustee accepts a bid, then the trustee's sale is final as of the date and time of such acceptance if the trustee's deed is recorded within fifteen days thereafter. After a trustee's sale, no person shall have any right, by statute or otherwise, to redeem the property sold at the trustee's sale.

(2)(a) Up to the eleventh day following the trustee's sale, the trustee, beneficiary, or authorized agent for the beneficiary may declare the trustee's sale and trustee's deed void for the following reasons:

(i) The trustee, beneficiary, or authorized agent for the beneficiary assert that there was an error with the trustee foreclosure sale process including, but not limited to, an erroneous opening bid amount made by or on behalf of the foreclosing beneficiary at the trustee's sale;

(ii) The borrower and beneficiary, or authorized agent for the beneficiary, had agreed prior to the trustee's sale to a loan modification agreement, forbearance plan, shared appreciation mortgage, or other loss mitigation agreement to postpone or discontinue the trustee's sale; or

(iii) The beneficiary or authorized agent for the beneficiary had accepted funds that fully reinstated or satisfied the loan even if the beneficiary or authorized agent for the beneficiary had no legal duty to do so.

(b) This subsection does not impose a duty upon the trustee any different than the obligations set forth under RCW 61.24.010 (3) and (4).

(3) The trustee must refund the bid amount to the purchaser no later than the third day following the postmarked mailing of the rescission notice described under subsection (4) of this section.

(4) No later than fifteen days following the voided trustee's sale date, the trustee shall send a notice in substantially the following form by first-class mail and certified mail, return receipt requested, to all parties entitled to notice under RCW 61.24.040(1) (b) through (e):

NOTICE OF RESCISSION OF TRUSTEE'S SALE

NOTICE IS HEREBY GIVEN that the trustee's sale that occurred on (trustee's sale date) is rescinded and declared void because (insert the applicable reason(s) permitted under RCW 61.24.050(2)(a)).

The trustee's sale occurred pursuant to that certain Notice of Trustee's Sale dated, recorded, under Auditor's File No. . . ., records of . . . County, Washington, and that certain Deed of Trust dated, recorded, under Auditor's File No. . . ., records of . . . County, Washington, from . . ., as Grantor, to . . ., as . . ., as original Beneficiary, concerning the following described property, situated in the County(ies) of . . ., State of Washington, to wit:

(Legal description)

Commonly known as (common property address)

(5) If the reason for the rescission stems from subsection (2)(a)(i) or (ii) of this section, the trustee may set a new sale date not less than forty-five days following the mailing of the notice of rescission of trustee's sale. The trustee shall:

(a) Comply with the requirements of RCW 61.24.040(1) (a) through ~~((f))~~ (e) at least thirty days before the new sale date; and

(b) Cause a copy of the notice of trustee's sale as provided in RCW 61.24.040(~~((f))~~) (2) to be published in a legal newspaper in each county in which the property or any part of the property is situated, once between the thirty-fifth and twenty-eighth day before the sale and once between the fourteenth and seventh day before the sale.

Sec. 5. RCW 61.24.130 and 2008 c 153 s 5 are each amended to read as follows:

(1) Nothing contained in this chapter shall prejudice the right of the borrower, grantor, any guarantor, or any person who has an interest in, lien, or claim of lien against the property or some part thereof, to restrain, on any proper legal or equitable ground, a trustee's sale. The court shall require as a condition of granting the restraining order or injunction that the applicant pay to the clerk of the court the sums that would be due on the obligation secured by the deed of trust if the deed of trust was not being foreclosed:

(a) In the case of default in making the periodic payment of principal, interest, and reserves, such sums shall be the periodic payment of principal, interest, and reserves paid to the clerk of the court every thirty days.

(b) In the case of default in making payment of an obligation then fully payable by its terms, such sums shall be the amount of interest accruing monthly on said obligation at the nondefault rate, paid to the clerk of the court every thirty days.

In the case of default in performance of any nonmonetary obligation secured by the deed of trust, the court shall impose such conditions as it deems just.

In addition, the court may condition granting the restraining order or injunction upon the giving of security by the applicant, in such form and amount as the court deems proper, for the payment of such costs and damages, including attorneys' fees, as may be later found by the court to have been incurred or suffered by any party by reason of the restraining order or injunction. The court may consider, upon proper showing, the grantor's equity in the property in determining the amount of said security.

(2) No court may grant a restraining order or injunction to restrain a trustee's sale unless the person seeking the restraint gives five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge.

No judge may act upon such application unless it is accompanied by proof, evidenced by return of a sheriff, the sheriff's deputy, or by any person eighteen years of age or over who is competent to be a witness, that the notice has been served on the trustee.

(3) If the restraining order or injunction is dissolved after the date of the trustee's sale set forth in the notice as provided in RCW 61.24.040(~~((f))~~) (2), the court granting such restraining order or injunction, or before whom the order or injunction is returnable, shall, at the request of the trustee, set a new sale date which shall be not less than forty-five days from the date of the order dissolving the restraining order. The trustee shall:

(a) Comply with the requirements of RCW 61.24.040(1) (a) through ~~((f))~~ (e) at least thirty days before the new sale date; and

(b) Cause a copy of the notice of trustee's sale as provided in RCW 61.24.040(~~((f))~~) (2) to be published in a legal newspaper in each county in which the property or any part thereof is situated once between the thirty-fifth and twenty-eighth day before the sale and once between the fourteenth and seventh day before the sale.

(4) If a trustee's sale has been stayed as a result of the filing of a petition in federal bankruptcy court and an order is entered in federal bankruptcy court granting relief from the stay or closing or dismissing the case, or discharging the debtor with the effect of removing the stay, the trustee may set a new sale date which shall not be less than forty-five days after the date of the bankruptcy court's order. The trustee shall:

(a) Comply with the requirements of RCW 61.24.040(1) (a) through ~~((f))~~ (e) at least thirty days before the new sale date; and

(b) Cause a copy of the notice of trustee's sale as provided in RCW 61.24.040(~~((f))~~) (2) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once between the thirty-fifth and twenty-eighth day before the sale and once between the fourteenth and seventh day before the sale.

(5) Subsections (3) and (4) of this section are permissive only and do not prohibit the trustee from proceeding with a trustee's sale following termination of any injunction or stay on any date to which such sale has been properly continued in accordance with RCW 61.24.040(~~((f))~~) (10).

(6) The issuance of a restraining order or injunction shall not prohibit the trustee from continuing the sale as provided in RCW 61.24.040(~~((f))~~) (10).

Sec. 6. RCW 61.24.163 and 2014 c 164 s 3 are each amended to read as follows:

(1) The foreclosure mediation program established in this section applies only to borrowers who have been referred to mediation by a housing counselor or attorney. The referral to mediation may be made any time after a notice of default has been issued but no later than twenty days after the date a notice of sale has been recorded. If the borrower has failed to elect to mediate within the applicable time frame, the borrower and the beneficiary may, but are under no duty to, agree in writing to enter the foreclosure mediation program. The mediation program under this section is not governed by chapter 7.07 RCW and does not preclude mediation required by a court or other provision of law.

(2) A housing counselor or attorney referring a borrower to mediation shall send a notice to the borrower and the department, stating that mediation is appropriate.

(3) Within ten days of receiving the notice, the department shall:

(a) Send a notice to the beneficiary, the borrower, the housing counselor or attorney who referred the borrower, and the trustee stating that the parties have been referred to mediation. The notice must include the statements and list of documents and information described in subsections (4) and (5) of this section

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and a statement explaining each party's responsibility to pay the mediator's fee; and

(b) Select a mediator and notify the parties of the selection.

(4) Within twenty-three days of the department's notice that the parties have been referred to mediation, the borrower shall transmit the documents required for mediation to the mediator and the beneficiary. The required documents include an initial ~~((Making Home Affordable Application (HAMP) package or such other equivalent))~~ homeowner financial information worksheet as required by the department. ~~((In the event the department is required to create a worksheet.))~~ The worksheet must include, at a minimum, the following information:

- (a) The borrower's current and future income;
- (b) Debts and obligations;
- (c) Assets;
- (d) Expenses;
- (e) Tax returns for the previous two years;
- (f) Hardship information;
- (g) Other applicable information commonly required by any applicable federal mortgage relief program.

(5) Within twenty days of the beneficiary's receipt of the borrower's documents, the beneficiary shall transmit the documents required for mediation to the mediator and the borrower. The required documents include:

(a) An accurate statement containing the balance of the loan within thirty days of the date on which the beneficiary's documents are due to the parties;

(b) Copies of the note and deed of trust;

(c) Proof that the entity claiming to be the beneficiary is the owner of any promissory note or obligation secured by the deed of trust. Sufficient proof may be a copy of the declaration described in RCW 61.24.030(7)(a);

(d) The best estimate of any arrearage and an itemized statement of the arrearages;

(e) An itemized list of the best estimate of fees and charges outstanding;

(f) The payment history and schedule for the preceding twelve months, or since default, whichever is longer, including a breakdown of all fees and charges claimed;

(g) All borrower-related and mortgage-related input data used in any net present values analysis. If no net present values analysis is required by the applicable federal mortgage relief program, then the input data required under the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide, or if that calculation becomes unavailable, substantially similar input data as determined by the department;

(h) An explanation regarding any denial for a loan modification, forbearance, or other alternative to foreclosure in sufficient detail for a reasonable person to understand why the decision was made;

(i) Appraisal or other broker price opinion most recently relied upon by the beneficiary not more than ninety days old at the time of the scheduled mediation; and

(j) The portion or excerpt of the pooling and servicing agreement or other investor restriction that prohibits the beneficiary from implementing a modification, if the beneficiary claims it cannot implement a modification due to limitations in a pooling and servicing agreement or other investor restriction, and documentation or a statement detailing the efforts of the beneficiary to obtain a waiver of the pooling and servicing agreement or other investor restriction provisions.

(6) Within seventy days of receiving the referral from the department, the mediator shall convene a mediation session in the county where the property is located, unless the parties agree on

another location. The parties may agree to extend the time in which to schedule the mediation session. If the parties agree to extend the time, the beneficiary shall notify the trustee of the extension and the date the mediator is expected to issue the mediator's certification.

(7)(a) The mediator may schedule phone conferences, consultations with the parties individually, and other communications to ensure that the parties have all the necessary information and documents to engage in a productive mediation.

(b) The mediator must send written notice of the time, date, and location of the mediation session to the borrower, the beneficiary, and the department at least thirty days prior to the mediation session. At a minimum, the notice must contain:

(i) A statement that the borrower may be represented in the mediation session by an attorney or other advocate;

(ii) A statement that a person with authority to agree to a resolution, including a proposed settlement, loan modification, or dismissal or continuation of the foreclosure proceeding, must be present either in person or on the telephone or videoconference during the mediation session; and

(iii) A statement that the parties have a duty to mediate in good faith and that failure to mediate in good faith may impair the beneficiary's ability to foreclose on the property or the borrower's ability to modify the loan or take advantage of other alternatives to foreclosure.

(8)(a) The borrower, the beneficiary or authorized agent, and the mediator must meet in person for the mediation session. However, a person with authority to agree to a resolution on behalf of the beneficiary may be present over the telephone or videoconference during the mediation session.

(b) After the mediation session commences, the mediator may continue the mediation session once, and any further continuances must be with the consent of the parties.

(9) The participants in mediation must address the issues of foreclosure that may enable the borrower and the beneficiary to reach a resolution, including but not limited to reinstatement, modification of the loan, restructuring of the debt, or some other workout plan. To assist the parties in addressing issues of foreclosure, the mediator may require the participants to consider the following:

(a) The borrower's current and future economic circumstances, including the borrower's current and future income, debts, and obligations for the previous sixty days or greater time period as determined by the mediator;

(b) The net present value of receiving payments pursuant to a modified mortgage loan as compared to the anticipated net recovery following foreclosure;

(c) Any affordable loan modification calculation and net present value calculation when required under any federal mortgage relief program ~~((including the home affordable modification program (HAMP) as applicable to government-sponsored enterprise and nongovernment sponsored enterprise loans))~~ and any ~~((HAMP-related))~~ related modification program ~~((applicable))~~ related to loans insured by the federal housing administration, the veterans administration, and the rural housing service. If such a calculation is not provided or required, then the beneficiary must provide the net present value data inputs established by the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide or other net present value data inputs as designated by the department. The mediator may run the calculation in order for a productive mediation to occur and to comply with the mediator certification requirement; and

(d) Any other loss mitigation guidelines to loans insured by the federal housing administration, the veterans administration, and

the rural housing service, if applicable.

(10) A violation of the duty to mediate in good faith as required under this section may include:

(a) Failure to timely participate in mediation without good cause;

(b) Failure of the borrower or the beneficiary to provide the documentation required before mediation or pursuant to the mediator's instructions;

(c) Failure of a party to designate representatives with adequate authority to fully settle, compromise, or otherwise reach resolution with the borrower in mediation; and

(d) A request by a beneficiary that the borrower waive future claims he or she may have in connection with the deed of trust, as a condition of agreeing to a modification, except for rescission claims under the federal truth in lending act. Nothing in this section precludes a beneficiary from requesting that a borrower dismiss with prejudice any pending claims against the beneficiary, its agents, loan servicer, or trustee, arising from the underlying deed of trust, as a condition of modification.

(11) If the mediator reasonably believes a borrower will not attend a mediation session based on the borrower's conduct, such as the lack of response to the mediator's communications, the mediator may cancel a scheduled mediation session and send a written cancellation to the department and the trustee and send copies to the parties. The beneficiary may proceed with the foreclosure after receipt of the mediator's written confirmation of cancellation.

(12) Within seven business days after the conclusion of the mediation session, the mediator must send a written certification to the department and the trustee and send copies to the parties of:

(a) The date, time, and location of the mediation session;

(b) The names of all persons attending in person and by telephone or videoconference, at the mediation session;

(c) Whether a resolution was reached by the parties, including whether the default was cured by reinstatement, modification, or restructuring of the debt, or some other alternative to foreclosure was agreed upon by the parties;

(d) Whether the parties participated in the mediation in good faith; and

(e) If a written agreement was not reached, a description of any net present value test used, along with a copy of the inputs, including the result of any net present value test expressed in a dollar amount.

(13) If the parties are unable to reach an agreement, the beneficiary may proceed with the foreclosure after receipt of the mediator's written certification.

(14)(a) The mediator's certification that the beneficiary failed to act in good faith in mediation constitutes a defense to the nonjudicial foreclosure action that was the basis for initiating the mediation. In any action to enjoin the foreclosure, the beneficiary is entitled to rebut the allegation that it failed to act in good faith.

(b) The mediator's certification that the beneficiary failed to act in good faith during mediation does not constitute a defense to a judicial foreclosure or a future nonjudicial foreclosure action if a modification of the loan is agreed upon and the borrower subsequently defaults.

(c) If an affordable loan modification is not offered in the mediation or a written agreement was not reached and the mediator's certification shows that the net present value of the modified loan exceeds the anticipated net recovery at foreclosure, that showing in the certification constitutes a basis for the borrower to enjoin the foreclosure.

(15) The mediator's certification that the borrower failed to act in good faith in mediation authorizes the beneficiary to proceed with the foreclosure.

(16)(a) If a borrower has been referred to mediation before a

notice of trustee sale has been recorded, a trustee may not record the notice of sale until the trustee receives the mediator's certification stating that the mediation has been completed. If the trustee does not receive the mediator's certification, the trustee may record the notice of sale after ten days from the date the certification to the trustee was due. If, after a notice of sale is recorded under this subsection (16)(a), the mediator subsequently issues a certification finding that the beneficiary violated the duty of good faith, the certification constitutes a basis for the borrower to enjoin the foreclosure.

(b) If a borrower has been referred to mediation after the notice of sale was recorded, the sale may not occur until the trustee receives the mediator's certification stating that the mediation has been completed.

(17) A mediator may charge reasonable fees as authorized by this subsection or as authorized by the department. Unless the fee is waived, the parties agree otherwise, or the department otherwise authorizes, a foreclosure mediator's fee may not exceed four hundred dollars for preparing, scheduling, and conducting a mediation session lasting between one hour and three hours. For a mediation session exceeding three hours, the foreclosure mediator may charge a reasonable fee, as authorized by the department. The mediator must provide an estimated fee before the mediation, and payment of the mediator's fee must be divided equally between the beneficiary and the borrower. The beneficiary and the borrower must tender the loan mediator's fee within thirty calendar days from receipt of the department's letter referring the parties to mediation or pursuant to the mediator's instructions.

(18) Beginning December 1, 2012, and every year thereafter, the department shall report annually to the legislature on:

(a) The performance of the program, including the numbers of borrowers who are referred to mediation by a housing counselor or attorney;

(b) The results of the mediation program, including the number of mediations requested by housing counselors and attorneys, the number of certifications of good faith issued, the number of borrowers and beneficiaries who failed to mediate in good faith, and the reasons for the failure to mediate in good faith, if known, the numbers of loans restructured or modified, the change in the borrower's monthly payment for principal and interest and the number of principal write-downs and interest rate reductions, and, to the extent practical, the number of borrowers who report a default within a year of restructuring or modification;

(c) The information received by housing counselors regarding outcomes of foreclosures; and

(d) Any recommendations for changes to the statutes regarding the mediation program.

Sec. 7. RCW 61.24.173 and 2016 c 196 s 2 are each amended to read as follows:

(1) Except as provided in subsections (~~((4) and~~) (5) and (6) of this section, beginning July 1, 2016, and every quarter thereafter, every beneficiary on whose behalf a notice of trustee's sale has been recorded pursuant to RCW 61.24.040 on residential real property under this chapter must:

(a) Report to the department the number of notices of trustee's sale recorded for each residential property during the previous quarter;

(b) Remit the amount required under subsection (2) of this section; and

(c) Report and update beneficiary contact information for the person and work group responsible for the beneficiary's compliance with the requirements of the foreclosure fairness act created in this chapter.

(2) For each notice of trustee's sale recorded on residential real

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property, the beneficiary on whose behalf the notice of trustee's sale has been recorded shall remit ~~((two))~~ three hundred ~~((fifty))~~ twenty-five dollars to the department to be deposited, as provided under RCW 61.24.172, into the foreclosure fairness account. The ~~((two))~~ three hundred ~~((fifty))~~ twenty-five dollar payment is required for every recorded notice of trustee's sale for noncommercial loans on residential real property, but does not apply to the recording of an amended notice of trustee's sale. ~~((If the beneficiary previously made a payment under RCW 61.24.174, as it existed prior to July 1, 2016, for a notice of default supporting the recorded notice of trustee's sale, no payment is required under this section.))~~ The department may from time to time adjust the amount of the fee, not to exceed three hundred twenty-five dollars, at a sufficient level to defray the costs of the program. The department must make the first adjustment no later than January 1, 2020. The beneficiary shall remit the total amount required in a lump sum each quarter.

(3) Any adjustment to the amount of the fee, pursuant to the authority of subsection (2) of this section, shall be made by rule adopted by the department in accordance with the provisions of chapter 34.05 RCW.

(4) Reporting and payments under subsections (1) and (2) of this section are due within forty-five days of the end of each quarter.

~~((4))~~ (5) This section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), and that certifies under penalty of perjury that fewer than fifty notices of trustee's sale were recorded on its behalf in the preceding year.

~~((5))~~ (6) This section does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

~~((6))~~ (7) For purposes of this section, "residential real property" includes residential real property with up to four dwelling units, whether or not the property or any part thereof is owner-occupied.

NEW SECTION. Sec. 8. A new section is added to chapter 61.24 RCW to read as follows:

(1) If a trustee under a deed of trust is named as a defendant in an action or proceeding in which that deed of trust is the subject, and if there are no substantive allegations that seek damages from the trustee or seek to enjoin the foreclosure based on any alleged unlawful actions or omissions by the trustee, including causes of action where the trustee is a codefendant alleged to be jointly or derivatively liable with respect to the trustee's conduct as to the borrower or the trustee's statutory obligations, not less than thirty-five days after service of the summons and complaint on the trustee, the trustee may file a declaration of nonmonetary status. The declaration must be served on the parties in the manner set forth in superior court civil rule (CR) 5.

(2) The declaration of nonmonetary status must set forth:

(a) The status of the trustee as trustee under the deed of trust that is the subject of the action or proceeding;

(b) That the complaint or pleading does not assert any substantive allegations that seek damages from the trustee or seek to enjoin the foreclosure based on any alleged unlawful actions or omissions by the trustee;

(c) That it has been named as a defendant in the proceeding solely in its capacity as a trustee under the deed of trust and that the trustee agrees to be bound by whatever order or judgment is issued by the court regarding the subject deed of trust;

(d) A statement printed in no less than twelve-point font and bolded that reads:

"You have 30 days from service of this declaration to file an objection with the court in compliance with RCW 61.24.--- (this section). If you do not respond, the trustee

will be deemed a nominal party to this action and you may not seek monetary relief against it. Your case may also be removed to federal court if the trustee was the only defendant domiciled in Washington."

(3) The parties who have appeared in the action or proceeding have thirty days from the service of the declaration by the trustee in which to object to the nonmonetary status of the trustee. Any objection must set forth the allegations against the trustee in a manner sufficient to satisfy the pleading standard of superior court civil rule (CR) 8(a).

(4) The objection must:

(a) Conform to superior court civil rule (CR) 10 and the caption must include the following identification: "Objection to Declaration of Nonmonetary Status of Defendant [trustee]";

(b) Contain a short and plain statement of the claim against defendant trustee as described in the complaint, showing that the plaintiff is entitled to relief. Allegations against the trustee may not be raised for the first time in the objection;

(c) Be filed with the court within thirty days of service of the trustee's declaration of nonmonetary status described in subsection (1) of this section;

(d) Be served on the trustee in the manner set forth in superior court civil rule (CR) 5.

(5) Upon filing of a timely objection with the court, the trustee must thereafter be required to participate in the action or proceeding.

(6) If an objection is not filed and served within the thirty-day objection period, the trustee: Is not required to participate any further in the action or proceeding; is not subject to any monetary awards as and for damages, attorneys' fees, or costs; and is bound by any court order relating to the subject deed of trust that is the subject of the action or proceeding. The trustee's nonmonetary status is not established until the thirty-day objection period has passed without objection.

(7) In the event a party or parties elect not to or fail to timely object to the declaration of nonmonetary status, but later through discovery or otherwise determine that the trustee should participate in the action, the parties may file and serve on all parties and the trustee a motion pursuant to superior court civil rule (CR) 15. Upon the court's granting of the motion, the trustee must thereafter be required to participate in the action or proceeding, and the court must provide sufficient time before trial for the trustee to be able to respond to the complaint, to conduct discovery, and to bring other pretrial motions in accordance with Washington superior court civil rules.

(8) Upon the filing of the declaration of nonmonetary status, the time within which the trustee is required to file an answer or other responsive pleading is tolled for the period of time within which the opposing parties may respond to the declaration. Upon the timely service of an objection to the declaration on nonmonetary status, the trustee has ten days from the date of service within which to file an answer or other responsive pleading to the complaint or cross-complaint.

(9) For purposes of this section, "trustee" includes any agent or employee of the trustee who performs some or all the duties of a trustee under this chapter and includes substituted trustees and agents of the trustee.

(10) If upon objection to the trustee's declaration of nonmonetary status the court finds that the declaration was filed without sufficient support based upon the allegations made in the complaint, the court may award the plaintiff attorneys' fees and costs associated with the objection together with any actual damages demonstrated. Any award may be made after notice and hearing with submission of evidence of the attorneys' fees and damages.

NEW SECTION. Sec. 9. A new section is added to chapter 61.12 RCW to read as follows:

(1) Before any mortgagee of residential real property commences any legal action under RCW 61.12.040 to foreclose any reverse residential mortgage, such person shall give the mortgagor notice of such intention at least thirty-three days in advance. For the purposes of this section "residential real property" means property consisting solely of a single-family residence, a two-to-four-unit owner occupied dwelling, a residential condominium unit, a manufactured home, or a residential cooperative unit.

(2) Notice of intention to take action as specified in subsection (1) of this section must be in writing and sent to the resident mortgagor or, in case of the death of the last surviving mortgagor, addressed to any known surviving spouse or to "unknown heirs" of the residential mortgagor, by first-class and either certified or registered mail, return receipt requested, at his or her last known address and, if different, at the residence which is the subject of the residential mortgage.

(3) The written notice must be in English and Spanish, in a form to be published by the department of commerce, and must clearly and conspicuously state:

- (a) The particular obligation or real estate security interest;
- (b) The nature of the default claimed or the reason for acceleration of the mortgage;
- (c) Except in cases where the acceleration is due to the death of the last surviving mortgagor, the right, if any, of the mortgagor to cure the default and exactly what performance, including what sum of money, if any, must be tendered to cure the default;
- (d) Except in cases where the acceleration is due to the death of the last surviving mortgagor, the applicable time within which the mortgagor must cure the default;
- (e) A statement printed in no less than twelve-point font and bolded that reads:

"If you do nothing to cure the default, if any, we intend to start a lawsuit to foreclose your mortgaged property. If the mortgage is foreclosed, your mortgaged property will be sold to pay off the mortgage debt. You should contact a housing counselor or attorney as soon as possible."; and

(f) The toll-free telephone number to find a department-approved home equity conversion mortgage counseling agency from the United States department of housing and urban development, the toll-free numbers for the statewide foreclosure hotline recommended by the housing finance commission, and the statewide civil legal aid hotline for assistance and referrals.

(4) It is an unfair or deceptive act in trade or commerce and an unfair method of competition in violation of the consumer protection act, chapter 19.86 RCW, affecting the public interest, for any person or entity to:

- (a) Fail to send the notice as required in this section at least thirty-three days before accelerating the maturity of any reverse residential mortgage obligation or commencing any legal action under RCW 61.12.040;
- (b) Fail to state the nature of the default, the correct amount or action that is required to cure the default, if any, or the time and manner in which to cure if cure is possible; or
- (c) To send the notice required in this section without the advisory language and information about foreclosure assistance.

NEW SECTION. Sec. 10. (1) This chapter applies only to residential real property consisting solely of a single-family residence, a residential condominium unit, or a residential cooperative unit.

(2) For purposes of this chapter:

(a) Property is "abandoned" when there are no signs of occupancy and at least three of the following indications of

abandonment are visible from the exterior:

- (i) The absence of furnishings and personal items consistent with residential habitation;
 - (ii) The gas, electric, or water utility services have been disconnected;
 - (iii) Statements by neighbors, passersby, delivery agents, or government employees that the property is vacant;
 - (iv) Multiple windows on the property are boarded up or closed off or are smashed through, broken, or unhinged, or multiple window panes are broken and unrepaired;
 - (v) Doors on the residence are substantially damaged, broken off, unhinged, or conspicuously open;
 - (vi) The property has been stripped of copper or other materials, or interior fixtures have been removed;
 - (vii) Law enforcement officials have received at least one report within the immediately preceding six months of trespassing or vandalism or other illegal activities;
 - (viii) The property has been declared unfit for occupancy and ordered to remain vacant and unoccupied pursuant to an order issued by a municipal or county authority or a court of competent jurisdiction;
 - (ix) Construction was initiated on the property and was discontinued before completion, leaving a building unsuitable for occupancy, and construction has not taken place for at least six months;
 - (x) Newspapers, circulars, flyers, or mail has accumulated on the property or the United States postal service has discontinued delivery to the property;
 - (xi) Rubbish, trash, debris, neglected vegetation, or natural overgrowth has accumulated on the property;
 - (xii) Hazardous, noxious, or unhealthy substances or materials have accumulated on the property;
 - (xiii) Other credible evidence exists indicating the intent to vacate and abandon the property.
- (b) Property is in "mid-foreclosure" when, pursuant to chapter 61.24 RCW, a notice of default or notice of preforeclosure options has been issued or a notice of trustee's sale has been recorded in the office of the county auditor.
- (c) Property is a "nuisance" when so determined by a county, city, or town pursuant to its authority under chapter 7.48 RCW or RCW 35.22.280, 35.23.440, 35.27.410, or 36.32.120.

NEW SECTION. Sec. 11. (1) A county, city, or town may notify a mortgage servicer that a property has been determined to be abandoned, in mid-foreclosure, and a nuisance.

(2) A notice issued pursuant to this section must:

- (a) Be accompanied by an affidavit or a declaration made under penalty of perjury by a county, city, or town official that a property is abandoned, in mid-foreclosure, and a nuisance, and the affidavit or declaration must outline at least three indicators of abandonment and be supported with time and date stamped photographs, a finding that the property is a nuisance, and a copy of the notice of default, notice of preforeclosure options, or notice of trustee's sale; and
- (b) Be sent to the mortgage servicer by certified mail.

NEW SECTION. Sec. 12. (1) A mortgage servicer may contact a county, city, or town regarding a property it believes to be abandoned, in mid-foreclosure, and a nuisance and request that a county, city, or town official visit the property and make a determination as to whether the residential real property is abandoned and a nuisance. When making such a request, the mortgage servicer must furnish a copy of a notice of default, notice of preforeclosure options, or notice of trustee's sale applicable to the property.

(2) A county, city, or town shall respond to such a request

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within fifteen calendar days of receipt and notify the mortgage servicer:

(a) That a county, city, or town official has visited the property and determined that the property is not abandoned, not in mid-foreclosure, or not a nuisance;

(b) That a county, city, or town official has visited the property and determined that the property is abandoned, in mid-foreclosure, and a nuisance. In this case, the notification shall be accompanied by an affidavit or a declaration made under penalty of perjury by a county, city, or town official that a property is abandoned, in mid-foreclosure, and a nuisance, and the affidavit or declaration must outline at least three indicators of abandonment and be supported with time and date stamped photographs, a finding that the property is a nuisance, and a copy of the notice of default or notice of trustee's sale supplied by the mortgage servicer; or

(c) That the county, city, or town does not have adequate resources or is otherwise unable to make the requested determination.

NEW SECTION. Sec. 13. (1) Upon receipt from a county, city, or town of an affidavit or declaration under penalty of perjury that a property is abandoned, in mid-foreclosure, and a nuisance, a mortgage servicer or its designee may enter the property for the purposes of abating the identified nuisance, preserving property, or preventing waste and may take steps to secure the property, including but not limited to:

(a) Installing missing locks on exterior doors. If any locks are changed the mortgage servicer must provide a lock box. Working locks may not be removed or replaced unless all doors are secured and there is no means of entry, and in such cases only one working lock may be removed and replaced;

(b) Replacing or boarding broken or missing windows;

(c) Winterizing, including draining pipes and disconnecting or turning on utilities;

(d) Eliminating building code or other code violations;

(e) Securing exterior pools and spas;

(f) Performing routine yard maintenance on the exterior of the residence; and

(g) Performing pest and insect control services.

(2) The mortgage servicer or its designee must make a record of entry by means of dated and time-stamped photographs showing the manner of entry and personal items visible within the residence upon entry.

(3) Neither the mortgage servicer nor its designee may remove personal items from the property unless the items are hazardous or perishable, and in case of such removal must inventory the items removed.

(4) Prior to each entry, a mortgage servicer or its designee must ensure that a notice is posted on the front door that includes the following:

(a) A statement that, pursuant to RCW 7.28.230, until foreclosure and sale is complete the property owner or lawful occupant has the right to possession;

(b) A statement that the property owner or lawful occupant has the right to request that any locks installed by the mortgage servicer or its designee be removed within twenty-four hours and replaced with new locks accessible by the property owner or lawful occupant only;

(c) A toll-free, twenty-four hour number that the property owner or lawful occupant may call in order to gain timely entry, which entry must be provided no later than the next business day; and

(d) The phone number of the statewide foreclosure hotline recommended by the housing finance commission and the statewide civil legal aid hotline, together with a statement that the

property owner may have the right to participate in foreclosure mediation pursuant to RCW 61.24.163.

(5) Records of entry onto property pursuant to this section must be maintained by the mortgage servicer or its designee for at least four years from the date of entry.

(6) If, upon entry, the property is found to be occupied, the mortgage servicer or its designee must leave the property immediately, notify the county, city, or town, and thereafter neither the mortgage servicer nor its designee may enter the property regardless of whether the property constitutes a nuisance or complies with local code enforcement standards.

(7) In the event a mortgage servicer is contacted by the borrower and notified that the property is not abandoned, the mortgage servicer must so notify the county, city, or town and thereafter neither the mortgage servicer nor its designee may enter the property regardless of whether the property constitutes a nuisance or complies with local code enforcement standards.

(8) A county, city, or town is not liable for any damages caused by any act or omission of the mortgage servicer or its designee.

NEW SECTION. Sec. 14. Except in circumstances governed by section 13 (6) and (7) of this act, if a mortgage servicer receives notice from a county, city, or town pursuant to section 11 or 12(2)(b) of this act that a property is abandoned, in mid-foreclosure, and a nuisance, and the mortgage servicer does not abate the nuisance within the time prescribed by local ordinance, a county, city, or town may exercise its authority under chapter 7.48 RCW, RCW 35.22.280, 35.23.440, 35.27.410, 36.32.120, or any other applicable law to abate the nuisance and recover associated costs as set forth in section 16 of this act.

NEW SECTION. Sec. 15. (1) When a property has been the subject of foreclosure, a county, city or town may notify the grantee of the trustee's deed or sheriff's deed, via certified mail, that a property is a nuisance. Upon receipt of such a notice, the grantee of the trustee's deed or sheriff's deed shall respond within fifteen calendar days and provide one of the following responses:

(a) That the grantee of the trustee's deed or sheriff's deed will abate the nuisance within the time prescribed by local ordinance; or

(b) That the grantee of the trustee's deed or sheriff's deed does not have adequate resources to abate the nuisance within the time limits required by local ordinance.

(2) If the grantee of the trustee's deed or sheriff's deed is notified and does not abate the nuisance within the time prescribed by local ordinance, a county, city, or town may exercise its authority under chapter 7.48 RCW, RCW 35.22.280, 35.23.440, 35.27.410, 36.32.120, or any other applicable law to abate the nuisance and recover associated costs as set forth in section 16 of this act.

NEW SECTION. Sec. 16. Except in circumstances governed by section 13 (6) and (7) of this act, if, after issuance of a notice pursuant to section 11, 12(2)(b), or 15 of this act, a nuisance has not been abated within the time prescribed by local ordinance and the county, city, or town has exercised its authority under chapter 7.48 RCW, RCW 35.22.280, 35.23.440, 35.27.410, 36.32.120, or any other applicable law to abate the nuisance, the county, city, or town may recover its costs by levying an assessment on the real property on which the nuisance is situated to reimburse the county, city, or town for the costs of abatement, excluding any associated fines or penalties. This assessment constitutes a lien against the property, and is binding upon successors in title only from the date the lien is recorded in the county in which the real property is located. This assessment is of equal rank with state, county, and municipal taxes and is assessed against the real property upon which cost was incurred unless

such amount is previously paid.

NEW SECTION. Sec. 17. The authority provided pursuant to this chapter is in addition to, and not in limitation of, any other authority provided by law.

NEW SECTION. Sec. 18. Sections 10 through 17 of this act constitute a new chapter in Title 7 RCW."

On page 1, line 2 of the title, after "foreclosure;" strike the remainder of the title and insert "amending RCW 61.24.030, 61.24.040, 61.24.045, 61.24.050, 61.24.130, 61.24.163, and 61.24.173; adding a new section to chapter 61.24 RCW; adding a new section to chapter 61.12 RCW; and adding a new chapter to Title 7 RCW."

The President declared the question before the Senate to be to not adopt the committee striking amendment by the Committee on Financial Institutions & Insurance to .

The motion by Senator Mullet carried and the committee striking amendment was not adopted by voice vote.

MOTION

Senator Mullet moved that the following striking floor amendment no. 812 by Senator Mullet be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 61.24.030 and 2012 c 185 s 9 are each amended to read as follows:

It shall be requisite to a trustee's sale:

- (1) That the deed of trust contains a power of sale;
- (2) That the deed of trust contains a statement that the real property conveyed is not used principally for agricultural purposes; provided, if the statement is false on the date the deed of trust was granted or amended to include that statement, and false on the date of the trustee's sale, then the deed of trust must be foreclosed judicially. Real property is used for agricultural purposes if it is used in an operation that produces crops, livestock, or aquatic goods;
- (3) That a default has occurred in the obligation secured or a covenant of the grantor, which by the terms of the deed of trust makes operative the power to sell;
- (4) That no action commenced by the beneficiary of the deed of trust is now pending to seek satisfaction of an obligation secured by the deed of trust in any court by reason of the grantor's default on the obligation secured: PROVIDED, That (a) the seeking of the appointment of a receiver, or the filing of a civil case to obtain court approval to access, secure, maintain, and preserve property from waste or nuisance, shall not constitute an action for purposes of this chapter; and (b) if a receiver is appointed, the grantor shall be entitled to any rents or profits derived from property subject to a homestead as defined in RCW 6.13.010. If the deed of trust was granted to secure a commercial loan, this subsection shall not apply to actions brought to enforce any other lien or security interest granted to secure the obligation secured by the deed of trust being foreclosed;
- (5) That the deed of trust has been recorded in each county in which the land or some part thereof is situated;
- (6) That prior to the date of the notice of trustee's sale and continuing thereafter through the date of the trustee's sale, the trustee must maintain a street address in this state where personal service of process may be made, and the trustee must maintain a physical presence and have telephone service at such address;
- (7)(a) That, for residential real property, before the notice of trustee's sale is recorded, transmitted, or served, the trustee shall

have proof that the beneficiary is the (~~owner~~) holder of any promissory note or other obligation secured by the deed of trust. A declaration by the beneficiary made under the penalty of perjury stating that the beneficiary is the (~~actual~~) holder of (~~the~~) any promissory note or other obligation secured by the deed of trust shall be sufficient proof as required under this subsection.

(b) Unless the trustee has violated his or her duty under RCW 61.24.010(4), the trustee is entitled to rely on the beneficiary's declaration as evidence of proof required under this subsection.

(c) This subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW;

(8) That at least thirty days before notice of sale shall be recorded, transmitted or served, written notice of default and the beneficiary declaration specified in subsection (7)(a) of this section shall be transmitted by the beneficiary or trustee to the borrower and grantor at their last known addresses by both first-class and either registered or certified mail, return receipt requested, and the beneficiary or trustee shall cause to be posted in a conspicuous place on the premises, a copy of the notice, or personally served on the borrower and grantor. This notice shall contain the following information:

(a) A description of the property which is then subject to the deed of trust;

(b) A statement identifying each county in which the deed of trust is recorded and the document number given to the deed of trust upon recording by each county auditor or recording officer;

(c) A statement that the beneficiary has declared the borrower or grantor to be in default, and a concise statement of the default alleged;

(d) An itemized account of the amount or amounts in arrears if the default alleged is failure to make payments;

(e) An itemized account of all other specific charges, costs, or fees that the borrower, grantor, or any guarantor is or may be obliged to pay to reinstate the deed of trust before the recording of the notice of sale;

(f) A statement showing the total of (d) and (e) of this subsection, designated clearly and conspicuously as the amount necessary to reinstate the note and deed of trust before the recording of the notice of sale;

(g) A statement that failure to cure the alleged default within thirty days of the date of mailing of the notice, or if personally served, within thirty days of the date of personal service thereof, may lead to recordation, transmittal, and publication of a notice of sale, and that the property described in (a) of this subsection may be sold at public auction at a date no less than one hundred twenty days in the future, or no less than one hundred fifty days in the future if the borrower received a letter under RCW 61.24.031;

(h) A statement that the effect of the recordation, transmittal, and publication of a notice of sale will be to (i) increase the costs and fees and (ii) publicize the default and advertise the grantor's property for sale;

(i) A statement that the effect of the sale of the grantor's property by the trustee will be to deprive the grantor of all their interest in the property described in (a) of this subsection;

(j) A statement that the borrower, grantor, and any guarantor has recourse to the courts pursuant to RCW 61.24.130 to contest the alleged default on any proper ground;

(k) In the event the property secured by the deed of trust is owner-occupied residential real property, a statement, prominently set out at the beginning of the notice, which shall state as follows:

**"THIS NOTICE IS ONE STEP IN A PROCESS THAT
COULD RESULT IN YOUR**

LOSING YOUR HOME.

You may be eligible for mediation in front of a neutral third party to help save your home.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. Mediation **MUST** be requested between the time you receive the Notice of Default and no later than twenty days after the Notice of Trustee Sale is recorded.

DO NOT DELAY. If you do nothing, a notice of sale may be issued as soon as 30 days from the date of this notice of default. The notice of sale will provide a minimum of 120 days' notice of the date of the actual foreclosure sale.

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Web site:

The United States Department of Housing and Urban Development

Telephone: Web site:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Web site:"

The beneficiary or trustee shall obtain the toll-free numbers and web site information from the department for inclusion in the notice; (~~and~~)

(l) In the event the property secured by the deed of trust is residential real property, the name and address of the (~~owner~~) holder of any promissory note(~~s~~) or other obligation(~~s~~) secured by the deed of trust and the name, address, and telephone number of a party acting as a servicer of the obligations secured by the deed of trust; (~~and~~)

(m) For notices issued after June 30, 2018, on the top of the first page of the notice;

- (i) The current beneficiary of the deed of trust;
- (ii) The current mortgage servicer for the deed of trust; and
- (iii) The current trustee for the deed of trust;

(9) That, for owner-occupied residential real property, before the notice of the trustee's sale is recorded, transmitted, or served, the beneficiary has complied with RCW 61.24.031 and, if applicable, RCW 61.24.163;

(10) That, in the case where the borrower or grantor is known to the mortgage servicer or trustee to be deceased, the notice required under subsection (8) of this section must be sent to any spouse, child, or parent of the borrower or grantor known to the trustee or mortgage servicer, and to any owner of record of the property, at any address provided to the trustee or mortgage servicer, and to the property addressed to the heirs and devisees of the borrower.

(a) If the name or address of any spouse, child, or parent of such deceased borrower or grantor cannot be ascertained with use

of reasonable diligence, the trustee must execute and record with the notice of sale a declaration attesting to the same.

(b) Reasonable diligence for the purposes of this subsection (10) means the trustee shall search in the county where the property is located, the public records and information for any obituary, will, death certificate, or case in probate within the county for the borrower and grantor;

(11) Upon written notice identifying the property address and the name of the borrower to the servicer or trustee by someone claiming to be a successor in interest to the borrower's or grantor's property rights, but who is not a party to the loan or promissory note or other obligation secured by the deed of trust, a trustee shall not record a notice of sale pursuant to RCW 61.24.040 until the trustee or mortgage servicer completes the following:

(a) Acknowledges the notice in writing and requests reasonable documentation of the death of the borrower or grantor from the claimant including, but not limited to, a death certificate or other written evidence of the death of the borrower or grantor. The claimant must be allowed thirty days from the date of this request to present this documentation. If the trustee or mortgage servicer has already obtained sufficient proof of the borrower's death, it may proceed by acknowledging the claimant's notice in writing and issuing a request under (b) of this subsection.

(b) If the mortgage servicer or trustee obtains or receives written documentation of the death of the borrower or grantor from the claimant, or otherwise independently confirms the death of the borrower or grantor, then the servicer or trustee must request in writing documentation from the claimant demonstrating the ownership interest of the claimant in the real property. A claimant has sixty days from the date of the request to present this documentation.

(c) If the mortgage servicer or trustee receives written documentation demonstrating the ownership interest of the claimant prior to the expiration of the sixty days provided in (b) of this subsection, then the servicer or trustee must, within twenty days of receipt of proof of ownership interest, provide the claimant with, at a minimum, the loan balance, interest rate and interest reset dates and amounts, balloon payments if any, prepayment penalties if any, the basis for the default, the monthly payment amount, reinstatement amounts or conditions, payoff amounts, and information on how and where payments should be made. The mortgage servicers shall also provide the claimant application materials and information, or a description of the process, necessary to request a loan assumption and modification.

(d) Upon receipt by the trustee or the mortgage servicer of the documentation establishing claimant's ownership interest in the real property, that claimant shall be deemed a "successor in interest" for the purposes of this section.

(e) There may be more than one successor in interest to the borrower's property rights. The trustee and mortgage servicer shall apply the provisions of this section to each successor in interest. In the case of multiple successors in interest, where one or more do not wish to assume the loan as coborrowers or coapplicants, a mortgage servicer may require any nonapplicant successor in interest to consent in writing to the application for loan assumption.

(f) The existence of a successor in interest under this section does not impose an affirmative duty on a mortgage servicer or alter any obligation the mortgage servicer has to provide a loan modification to the successor in interest. If a successor in interest assumes the loan, he or she may be required to otherwise qualify for available foreclosure prevention alternatives offered by the mortgage servicer.

(g) (c), (e), and (f) of this subsection (11) do not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38

RCW; and

(12) Nothing in this section shall prejudice the right of the mortgage servicer or beneficiary from discontinuing any foreclosure action initiated under the deed of trust act in favor of other allowed methods for pursuit of foreclosure of the security interest or deed of trust security interest.

Sec. 2. RCW 61.24.040 and 2012 c 185 s 10 are each amended to read as follows:

A deed of trust foreclosed under this chapter shall be foreclosed as follows:

(1) At least ninety days before the sale, or if a letter under RCW 61.24.031 is required, at least one hundred twenty days before the sale, the trustee shall:

(a) Record a notice in the form described in ~~((f) of this)~~ subsection (2) of this section in the office of the auditor in each county in which the deed of trust is recorded;

(b) To the extent the trustee elects to foreclose its lien or interest, or the beneficiary elects to preserve its right to seek a deficiency judgment against a borrower or grantor under RCW 61.24.100(3)(a), and if their addresses are stated in a recorded instrument evidencing their interest, lien, or claim of lien, or an amendment thereto, or are otherwise known to the trustee, cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the following persons or their legal representatives, if any, at such address:

(i) ~~(A)~~ The borrower and grantor;

(B) In the case where the borrower or grantor is deceased, to any successors in interest. If no successor in interest has been established, then to any spouse, child, or parent of the borrower or grantor, at the addresses discovered by the trustee pursuant to RCW 61.24.030(10);

(ii) The beneficiary of any deed of trust or mortgage of any mortgage, or any person who has a lien or claim of lien against the property, that was recorded subsequent to the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iii) The vendee in any real estate contract, the lessee in any lease, or the holder of any conveyances of any interest or estate in any portion or all of the property described in such notice, if that contract, lease, or conveyance of such interest or estate, or a memorandum or other notice thereof, was recorded after the recordation of the deed of trust being foreclosed and before the recordation of the notice of sale;

(iv) The last holder of record of any other lien against or interest in the property that is subject to a subordination to the deed of trust being foreclosed that was recorded before the recordation of the notice of sale;

(v) The last holder of record of the lien of any judgment subordinate to the deed of trust being foreclosed; and

(vi) The occupants of property consisting solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, whether or not the occupant's rental agreement is recorded, which notice may be a single notice addressed to "occupants" for each unit known to the trustee or beneficiary;

(c) Cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to the plaintiff or the plaintiff's attorney of record, in any court action to foreclose a lien or other encumbrance on all or any part of the property, provided a court action is pending and a lis pendens in connection therewith is recorded in the office of the auditor of any

county in which all or part of the property is located on the date the notice is recorded;

(d) Cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be transmitted by both first-class and either certified or registered mail, return receipt requested, to any person who has recorded a request for notice in accordance with RCW 61.24.045, at the address specified in such person's most recently recorded request for notice;

(e) Cause a copy of the notice of sale described in ~~((f) of this)~~ subsection (2) of this section to be posted in a conspicuous place on the property, or in lieu of posting, cause a copy of said notice to be served upon any occupant of the property~~((;~~

~~((;))~~ (2)(a) If foreclosing on a commercial loan under RCW 61.24.173, the title of the document must be "Notice of Trustee's Sale of Commercial Loan(s)";

(b) In addition to all other indexing requirements, the notice required in subsection (1) of this section must clearly indicate on the first page the following information, which the auditor will index:

(i) The document number or numbers given to the deed of trust upon recording;

(ii) The parcel number(s);

(iii) The grantor;

(iv) The current beneficiary of the deed of trust;

(v) The current trustee of the deed of trust; and

(vi) The current loan mortgage servicer of the deed of trust;

(c) Nothing in this section:

(i) Requires a trustee or beneficiary to cause to be recorded any new notice of trustee's sale upon transfer of the beneficial interest in a deed of trust or the servicing rights for the associated mortgage loan;

(ii) Relieves a mortgage loan servicer of any obligation to provide the borrower with notice of a transfer of servicing rights or other legal obligations related to the transfer; or

(iii) Prevents the trustee from disclosing the beneficiary's identity to the borrower and to county and municipal officials seeking to abate nuisance and abandoned property in foreclosure pursuant to chapter 35.21 RCW.

(d) The notice ~~((shall))~~ must be in substantially the following form:

NOTICE OF TRUSTEE'S SALE

Grantor:

Current beneficiary of the deed of trust:

Current trustee of the deed of trust:

Current mortgage servicer of the deed of trust:

.....

Reference number of the deed of trust:

Parcel number(s):

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee will on the day of,, at the hour of o'clock M. at [street address and location if inside a building] in the City of, State of Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County(ies) of, State of Washington, to-wit:

[If any personal property is to be included in the trustee's sale, include a description that reasonably identifies such personal property]

which is subject to that certain Deed of Trust dated, recorded,, under Auditor's File No., records of County, Washington, from, as Grantor, to, as Trustee, to secure an obligation in favor of

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....., as Beneficiary, the beneficial interest in which was assigned by, under an Assignment recorded under Auditor's File No. [Include recording information for all counties if the Deed of Trust is recorded in more than one county.]

II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

[If there is another action pending to foreclose other security for all or part of the same debt, qualify the statement and identify the action.]

III.

The default(s) for which this foreclosure is made is/are as follows:

[If default is for other than payment of money, set forth the particulars]

Failure to pay when due the following amounts which are now in arrears:

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal \$, together with interest as provided in the note or other instrument secured from the ... day of, and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on the ... day of, ... The default(s) referred to in paragraph III must be cured by the ... day of, ... (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the ... day of, ... (11 days before the sale date), the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the ... day of, ... (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

.....
.....
.....

by both first-class and certified mail on the ... day of, ..., proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on the ... day of, ..., with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has

possession of proof of such service or posting.

VII.

The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

[Add Part X to this notice if applicable under RCW 61.24.040((9)) (11)]

.....
....., Trustee
.....
.....
.....
.....
.....
..... Address
.....
..... } Phone

[Acknowledgment]

((~~3~~)) (3) If the borrower received a letter under RCW 61.24.031, the notice specified in subsection ((~~1~~)(~~f~~)) (2)(d) of this section shall also include the following additional language:

"THIS NOTICE IS THE FINAL STEP BEFORE THE FORECLOSURE SALE OF YOUR HOME.

You have only 20 DAYS from the recording date on this notice to pursue mediation.

DO NOT DELAY. CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you are eligible and it may help you save your home. See below for safe sources of help.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission
Telephone: Web site:

The United States Department of Housing and Urban Development
Telephone: Web site:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys
Telephone: Web site:

The beneficiary or trustee shall obtain the toll-free numbers and web site information from the department for inclusion in the notice;

((2)) (4) In addition to providing the borrower and grantor the notice of sale described in subsection ((1)(f)) (2) of this section, the trustee shall include with the copy of the notice which is mailed to the grantor, a statement to the grantor in substantially the following form:

NOTICE OF FORECLOSURE
Pursuant to the Revised Code of Washington,
Chapter 61.24 RCW

The attached Notice of Trustee's Sale is a consequence of default(s) in the obligation to, the Beneficiary of your Deed of Trust and ((owner)) holder of the obligation secured thereby. Unless the default(s) is/are cured, your property will be sold at auction on the day of,

To cure the default(s), you must bring the payments current, cure any other defaults, and pay accrued late charges and other costs, advances, and attorneys' fees as set forth below by the day of, [11 days before the sale date]. To date, these arrears and costs are as follows:

Table with 3 columns: Description, Currently due to reinstate on, Estimated amount that will be due to reinstate on (11 days before the date set for sale). Rows include Delinquent payments, Late charges, Attorneys' fees, Trustee's fee, Trustee's expenses (Title report, Recording fees, etc.), and a TOTALS row.

To pay off the entire obligation secured by your Deed of Trust as of the day of you must pay a total of \$ in principal, \$ in interest, plus other costs and advances estimated to date in the amount of \$ From and after the

date of this notice you must submit a written request to the Trustee to obtain the total amount to pay off the entire obligation secured by your Deed of Trust as of the payoff date.

As to the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust, you must cure each such default. Listed below are the defaults which do not involve payment of money to the Beneficiary of your Deed of Trust. Opposite each such listed default is a brief description of the action necessary to cure the default and a description of the documentation necessary to show that the default has been cured.

Table with 2 columns: Default, Description of Action Required to Cure and Documentation Necessary to Show Cure. The table contains several rows of dotted lines for input.

You may reinstate your Deed of Trust and the obligation secured thereby at any time up to and including the day of, [11 days before the sale date], by paying the amount set forth or estimated above and by curing any other defaults described above. Of course, as time passes other payments may become due, and any further payments coming due and any additional late charges must be added to your reinstating payment. Any new defaults not involving payment of money that occur after the date of this notice must also be cured in order to effect reinstatement. In addition, because some of the charges can only be estimated at this time, and because the amount necessary to reinstate or to pay off the entire indebtedness may include presently unknown expenditures required to preserve the property or to comply with state or local law, it will be necessary for you to contact the Trustee before the time you tender reinstatement or the payoff amount so that you may be advised of the exact amount you will be required to pay. Tender of payment or performance must be made to:, whose address is, telephone () AFTER THE DAY OF,, YOU MAY NOT REINSTATE YOUR DEED OF TRUST BY PAYING THE BACK PAYMENTS AND COSTS AND FEES AND CURING THE OTHER DEFAULTS AS OUTLINED ABOVE. The Trustee will respond to any written request for current payoff or reinstatement amounts within ten days of receipt of your written request. In such a case, you will only be able to stop the sale by paying, before the sale, the total principal balance (\$) plus accrued interest, costs and advances, if any, made pursuant to the terms of the documents and by curing the other defaults as outlined above.

You may contest this default by initiating court action in the Superior Court of the county in which the sale is to be held. In such action, you may raise any legitimate defenses you have to this default. A copy of your Deed of Trust and documents evidencing the obligation secured thereby are enclosed. You may wish to consult a lawyer. Legal action on your part may prevent or restrain the sale, but only if you persuade the court of the merits of your defense. You may contact the Department of Financial Institutions or the statewide civil legal aid hotline for possible assistance or referrals.

The court may grant a restraining order or injunction to restrain a trustee's sale pursuant to RCW 61.24.130 upon five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge. Notice and other process may be served on the trustee at:

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ADDRESS:
TELEPHONE NUMBER:

If you do not reinstate the secured obligation and your Deed of Trust in the manner set forth above, or if you do not succeed in restraining the sale by court action, your property will be sold. The effect of such sale will be to deprive you and all those who hold by, through or under you of all interest in the property;

~~((3))~~ (5) In addition, the trustee shall cause a copy of the notice of sale described in subsection ~~((1)(f))~~ (2)(d) of this section (excluding the acknowledgment) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once on or between the thirty-fifth and twenty-eighth day before the date of sale, and once on or between the fourteenth and seventh day before the date of sale;

~~((4))~~ (6) In the case where no successor in interest has been established, and neither the beneficiary nor the trustee are able to ascertain the name and address of any spouse, child, or parent of the borrower or grantor in the manner described in RCW 61.24.030(10), then the trustee may, in addition to mailing notice to the property addressed to the unknown heirs and devisees of the grantor, serve the notice of sale by publication in a newspaper of general circulation in the county or city where the property is located once per week for three consecutive weeks. Upon this service by publication, to be completed not less than thirty days prior to the date the sale is conducted, all unknown heirs shall be deemed served with the notice of sale;

(7)(a) If a servicer or trustee receives notification by someone claiming to be a successor in interest to the borrower or grantor, as under RCW 61.24.030(11), after the recording of the notice of sale, the trustee or servicer must request written documentation within five days demonstrating the ownership interest, provided that, the trustee may, but is not required to, postpone a trustee's sale upon receipt of such notification by someone claiming to be a successor in interest.

(b) Upon receipt of documentation establishing a claimant as a successor in interest, the servicer must provide the information in RCW 61.24.030(11)(c). Only if the servicer or trustee receives the documentation confirming someone as successor in interest more than forty-five days before the scheduled sale must the servicer then provide the information in RCW 61.24.030(11)(c) to the claimant not less than twenty days prior to the sale.

(c) (b) of this subsection (7) does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

(8) On the date and at the time designated in the notice of sale, the trustee or its authorized agent shall sell the property at public auction to the highest bidder. The trustee may sell the property in gross or in parcels as the trustee shall deem most advantageous;

~~((5))~~ (9) The place of sale shall be at any designated public place within the county where the property is located and if the property is in more than one county, the sale may be in any of the counties where the property is located. The sale shall be on Friday, or if Friday is a legal holiday on the following Monday, and during the hours set by statute for the conduct of sales of real estate at execution;

~~((6))~~ (10) The trustee has no obligation to, but may, for any cause the trustee deems advantageous, continue the sale for a period or periods not exceeding a total of one hundred twenty days by (a) a public proclamation at the time and place fixed for sale in the notice of sale and if the continuance is beyond the date of sale, by giving notice of the new time and place of the sale by both first class and either certified or registered mail, return receipt requested, to the persons specified in subsection (1)(b)(i) and (ii) of this section to be deposited in the mail (i) not less than four days before the new date fixed for the sale if the sale is

continued for up to seven days; or (ii) not more than three days after the date of the continuance by oral proclamation if the sale is continued for more than seven days, or, alternatively, (b) by giving notice of the time and place of the postponed sale in the manner and to the persons specified in subsection (1)(b), (c), (d), and (e) of this section and publishing a copy of such notice once in the newspaper(s) described in subsection ~~((3))~~ (5) of this section, more than seven days before the date fixed for sale in the notice of sale. No other notice of the postponed sale need be given;

~~((7))~~ (11) The purchaser shall forthwith pay the price bid and on payment the trustee shall execute to the purchaser its deed; the deed shall recite the facts showing that the sale was conducted in compliance with all of the requirements of this chapter and of the deed of trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value, except that these recitals shall not affect the lien or interest of any person entitled to notice under subsection (1) of this section, if the trustee fails to give the required notice to such person. In such case, the lien or interest of such omitted person shall not be affected by the sale and such omitted person shall be treated as if such person was the holder of the same lien or interest and was omitted as a party defendant in a judicial foreclosure proceeding;

~~((8))~~ (12) The sale as authorized under this chapter shall not take place less than one hundred ninety days from the date of default in any of the obligations secured;

~~((9))~~ (13) If the trustee elects to foreclose the interest of any occupant or tenant of property comprised solely of a single-family residence, or a condominium, cooperative, or other dwelling unit in a multiplex or other building containing fewer than five residential units, the following notice shall be included as Part X of the Notice of Trustee's Sale:

X. NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.060;

~~((10))~~ (14) Only one copy of all notices required by this chapter need be given to a person who is both the borrower and the grantor. All notices required by this chapter that are given to a general partnership are deemed given to each of its general partners, unless otherwise agreed by the parties.

Sec. 3. RCW 61.24.045 and 2008 c 153 s 4 are each amended to read as follows:

Any person desiring a copy of any notice of sale described in RCW 61.24.040~~((1)(f))~~ (2) under any deed of trust, other than a person entitled to receive such a notice under RCW 61.24.040(1) (b) or (c), must, after the recordation of such deed of trust and before the recordation of the notice of sale, cause to be filed for record, in the office of the auditor of any county in which the deed of trust is recorded, a duly acknowledged request for a copy of any notice of sale. The request shall be signed and acknowledged by the person to be notified or such person's agent, attorney, or representative; shall set forth the name, mailing address, and telephone number, if any, of the person or persons to be notified; shall identify the deed of trust by stating the names of the parties thereto, the date the deed of trust was recorded, the legal description of the property encumbered by the deed of trust, and

the auditor's file number under which the deed of trust is recorded; and shall be in substantially the following form:

REQUEST FOR NOTICE

Request is hereby made that a copy of any notice of sale described in RCW 61.24.040(~~((1)+(2))~~) (2) under that certain Deed of Trust dated, (~~(20--)~~) (year), recorded on, (~~(20--)~~) (year), under auditor's file No., records of County, Washington, from, as Grantor, to, as Trustee, to secure an obligation in favor of, as Beneficiary, and affecting the following described real property:

(Legal Description)

be sent by both first-class and either registered or certified mail, return receipt requested, to at

Dated this day of, (~~(20--)~~) (year)

Signature

(Acknowledgment)

A request for notice under this section shall not affect title to, or be deemed notice to any person that any person has any right, title, interest in, lien or charge upon, the property described in the request for notice.

Sec. 4. RCW 61.24.050 and 2012 c 185 s 14 are each amended to read as follows:

(1) Upon physical delivery of the trustee's deed to the purchaser, or a different grantee as designated by the purchaser following the trustee's sale, the trustee's deed shall convey all of the right, title, and interest in the real and personal property sold at the trustee's sale which the grantor had or had the power to convey at the time of the execution of the deed of trust, and such as the grantor may have thereafter acquired. Except as provided in subsection (2) of this section, if the trustee accepts a bid, then the trustee's sale is final as of the date and time of such acceptance if the trustee's deed is recorded within fifteen days thereafter. After a trustee's sale, no person shall have any right, by statute or otherwise, to redeem the property sold at the trustee's sale.

(2)(a) Up to the eleventh day following the trustee's sale, the trustee, beneficiary, or authorized agent for the beneficiary may declare the trustee's sale and trustee's deed void for the following reasons:

(i) The trustee, beneficiary, or authorized agent for the beneficiary assert that there was an error with the trustee foreclosure sale process including, but not limited to, an erroneous opening bid amount made by or on behalf of the foreclosing beneficiary at the trustee's sale;

(ii) The borrower and beneficiary, or authorized agent for the beneficiary, had agreed prior to the trustee's sale to a loan modification agreement, forbearance plan, shared appreciation mortgage, or other loss mitigation agreement to postpone or discontinue the trustee's sale; or

(iii) The beneficiary or authorized agent for the beneficiary had accepted funds that fully reinstated or satisfied the loan even if the beneficiary or authorized agent for the beneficiary had no legal duty to do so.

(b) This subsection does not impose a duty upon the trustee any different than the obligations set forth under RCW 61.24.010 (3) and (4).

(3) The trustee must refund the bid amount to the purchaser no later than the third day following the postmarked mailing of the rescission notice described under subsection (4) of this section.

(4) No later than fifteen days following the voided trustee's sale

date, the trustee shall send a notice in substantially the following form by first-class mail and certified mail, return receipt requested, to all parties entitled to notice under RCW 61.24.040(1) (b) through (e):

NOTICE OF RESCISSION OF TRUSTEE'S SALE

NOTICE IS HEREBY GIVEN that the trustee's sale that occurred on (trustee's sale date) is rescinded and declared void because (insert the applicable reason(s) permitted under RCW 61.24.050(2)(a)).

The trustee's sale occurred pursuant to that certain Notice of Trustee's Sale dated, recorded, under Auditor's File No., records of County, Washington, and that certain Deed of Trust dated, recorded, under Auditor's File No., records of County, Washington, from, as Grantor, to, as, as original Beneficiary, concerning the following described property, situated in the County(ies) of, State of Washington, to wit:

(Legal description)

Commonly known as (common property address)

(5) If the reason for the rescission stems from subsection (2)(a)(i) or (ii) of this section, the trustee may set a new sale date not less than forty-five days following the mailing of the notice of rescission of trustee's sale. The trustee shall:

(a) Comply with the requirements of RCW 61.24.040(1) (a) through (~~((1)+(2))~~) (e) at least thirty days before the new sale date; and

(b) Cause a copy of the notice of trustee's sale as provided in RCW 61.24.040(~~((1)+(2))~~) (2) to be published in a legal newspaper in each county in which the property or any part of the property is situated, once between the thirty-fifth and twenty-eighth day before the sale and once between the fourteenth and seventh day before the sale.

Sec. 5. RCW 61.24.130 and 2008 c 153 s 5 are each amended to read as follows:

(1) Nothing contained in this chapter shall prejudice the right of the borrower, grantor, any guarantor, or any person who has an interest in, lien, or claim of lien against the property or some part thereof, to restrain, on any proper legal or equitable ground, a trustee's sale. The court shall require as a condition of granting the restraining order or injunction that the applicant pay to the clerk of the court the sums that would be due on the obligation secured by the deed of trust if the deed of trust was not being foreclosed:

(a) In the case of default in making the periodic payment of principal, interest, and reserves, such sums shall be the periodic payment of principal, interest, and reserves paid to the clerk of the court every thirty days.

(b) In the case of default in making payment of an obligation then fully payable by its terms, such sums shall be the amount of interest accruing monthly on said obligation at the nondefault rate, paid to the clerk of the court every thirty days.

In the case of default in performance of any nonmonetary obligation secured by the deed of trust, the court shall impose such conditions as it deems just.

In addition, the court may condition granting the restraining order or injunction upon the giving of security by the applicant, in such form and amount as the court deems proper, for the payment of such costs and damages, including attorneys' fees, as may be later found by the court to have been incurred or suffered by any party by reason of the restraining order or injunction. The court may consider, upon proper showing, the grantor's equity in the property in determining the amount of said security.

(2) No court may grant a restraining order or injunction to

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restrain a trustee's sale unless the person seeking the restraint gives five days notice to the trustee of the time when, place where, and the judge before whom the application for the restraining order or injunction is to be made. This notice shall include copies of all pleadings and related documents to be given to the judge. No judge may act upon such application unless it is accompanied by proof, evidenced by return of a sheriff, the sheriff's deputy, or by any person eighteen years of age or over who is competent to be a witness, that the notice has been served on the trustee.

(3) If the restraining order or injunction is dissolved after the date of the trustee's sale set forth in the notice as provided in RCW 61.24.040(~~((1)(f))~~) (2), the court granting such restraining order or injunction, or before whom the order or injunction is returnable, shall, at the request of the trustee, set a new sale date which shall be not less than forty-five days from the date of the order dissolving the restraining order. The trustee shall:

(a) Comply with the requirements of RCW 61.24.040(1) (a) through (~~((f))~~) (e) at least thirty days before the new sale date; and

(b) Cause a copy of the notice of trustee's sale as provided in RCW 61.24.040(~~((1)(f))~~) (2) to be published in a legal newspaper in each county in which the property or any part thereof is situated once between the thirty-fifth and twenty-eighth day before the sale and once between the fourteenth and seventh day before the sale.

(4) If a trustee's sale has been stayed as a result of the filing of a petition in federal bankruptcy court and an order is entered in federal bankruptcy court granting relief from the stay or closing or dismissing the case, or discharging the debtor with the effect of removing the stay, the trustee may set a new sale date which shall not be less than forty-five days after the date of the bankruptcy court's order. The trustee shall:

(a) Comply with the requirements of RCW 61.24.040(1) (a) through (~~((f))~~) (e) at least thirty days before the new sale date; and

(b) Cause a copy of the notice of trustee's sale as provided in RCW 61.24.040(~~((1)(f))~~) (2) to be published in a legal newspaper in each county in which the property or any part thereof is situated, once between the thirty-fifth and twenty-eighth day before the sale and once between the fourteenth and seventh day before the sale.

(5) Subsections (3) and (4) of this section are permissive only and do not prohibit the trustee from proceeding with a trustee's sale following termination of any injunction or stay on any date to which such sale has been properly continued in accordance with RCW 61.24.040(~~((6))~~) (10).

(6) The issuance of a restraining order or injunction shall not prohibit the trustee from continuing the sale as provided in RCW 61.24.040(~~((6))~~) (10).

Sec. 6. RCW 61.24.163 and 2014 c 164 s 3 are each amended to read as follows:

(1) The foreclosure mediation program established in this section applies only to borrowers who have been referred to mediation by a housing counselor or attorney. The referral to mediation may be made any time after a notice of default has been issued but no later than twenty days after the date a notice of sale has been recorded. If the borrower has failed to elect to mediate within the applicable time frame, the borrower and the beneficiary may, but are under no duty to, agree in writing to enter the foreclosure mediation program. The mediation program under this section is not governed by chapter 7.07 RCW and does not preclude mediation required by a court or other provision of law.

(2) A housing counselor or attorney referring a borrower to mediation shall send a notice to the borrower and the department, stating that mediation is appropriate.

(3) Within ten days of receiving the notice, the department shall:

(a) Send a notice to the beneficiary, the borrower, the housing counselor or attorney who referred the borrower, and the trustee stating that the parties have been referred to mediation. The notice must include the statements and list of documents and information described in subsections (4) and (5) of this section and a statement explaining each party's responsibility to pay the mediator's fee; and

(b) Select a mediator and notify the parties of the selection.

(4) Within twenty-three days of the department's notice that the parties have been referred to mediation, the borrower shall transmit the documents required for mediation to the mediator and the beneficiary. The required documents include an initial (~~(Making Home Affordable Application (HAMP) package or such other equivalent)~~) homeowner financial information worksheet as required by the department. (~~(In the event the department is required to create a worksheet.)~~) The worksheet must include, at a minimum, the following information:

(a) The borrower's current and future income;

(b) Debts and obligations;

(c) Assets;

(d) Expenses;

(e) Tax returns for the previous two years;

(f) Hardship information;

(g) Other applicable information commonly required by any applicable federal mortgage relief program.

(5) Within twenty days of the beneficiary's receipt of the borrower's documents, the beneficiary shall transmit the documents required for mediation to the mediator and the borrower. The required documents include:

(a) An accurate statement containing the balance of the loan within thirty days of the date on which the beneficiary's documents are due to the parties;

(b) Copies of the note and deed of trust;

(c) Proof that the entity claiming to be the beneficiary is the owner of any promissory note or obligation secured by the deed of trust. Sufficient proof may be a copy of the declaration described in RCW 61.24.030(7)(a);

(d) The best estimate of any arrearage and an itemized statement of the arrearages;

(e) An itemized list of the best estimate of fees and charges outstanding;

(f) The payment history and schedule for the preceding twelve months, or since default, whichever is longer, including a breakdown of all fees and charges claimed;

(g) All borrower-related and mortgage-related input data used in any net present values analysis. If no net present values analysis is required by the applicable federal mortgage relief program, then the input data required under the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide, or if that calculation becomes unavailable, substantially similar input data as determined by the department;

(h) An explanation regarding any denial for a loan modification, forbearance, or other alternative to foreclosure in sufficient detail for a reasonable person to understand why the decision was made;

(i) Appraisal or other broker price opinion most recently relied upon by the beneficiary not more than ninety days old at the time of the scheduled mediation; and

(j) The portion or excerpt of the pooling and servicing agreement or other investor restriction that prohibits the beneficiary from implementing a modification, if the beneficiary claims it cannot implement a modification due to limitations in a pooling and servicing agreement or other investor restriction, and documentation or a statement detailing the efforts of the

beneficiary to obtain a waiver of the pooling and servicing agreement or other investor restriction provisions.

(6) Within seventy days of receiving the referral from the department, the mediator shall convene a mediation session in the county where the property is located, unless the parties agree on another location. The parties may agree to extend the time in which to schedule the mediation session. If the parties agree to extend the time, the beneficiary shall notify the trustee of the extension and the date the mediator is expected to issue the mediator's certification.

(7)(a) The mediator may schedule phone conferences, consultations with the parties individually, and other communications to ensure that the parties have all the necessary information and documents to engage in a productive mediation.

(b) The mediator must send written notice of the time, date, and location of the mediation session to the borrower, the beneficiary, and the department at least thirty days prior to the mediation session. At a minimum, the notice must contain:

(i) A statement that the borrower may be represented in the mediation session by an attorney or other advocate;

(ii) A statement that a person with authority to agree to a resolution, including a proposed settlement, loan modification, or dismissal or continuation of the foreclosure proceeding, must be present either in person or on the telephone or videoconference during the mediation session; and

(iii) A statement that the parties have a duty to mediate in good faith and that failure to mediate in good faith may impair the beneficiary's ability to foreclose on the property or the borrower's ability to modify the loan or take advantage of other alternatives to foreclosure.

(8)(a) The borrower, the beneficiary or authorized agent, and the mediator must meet in person for the mediation session. However, a person with authority to agree to a resolution on behalf of the beneficiary may be present over the telephone or videoconference during the mediation session.

(b) After the mediation session commences, the mediator may continue the mediation session once, and any further continuances must be with the consent of the parties.

(9) The participants in mediation must address the issues of foreclosure that may enable the borrower and the beneficiary to reach a resolution, including but not limited to reinstatement, modification of the loan, restructuring of the debt, or some other workout plan. To assist the parties in addressing issues of foreclosure, the mediator may require the participants to consider the following:

(a) The borrower's current and future economic circumstances, including the borrower's current and future income, debts, and obligations for the previous sixty days or greater time period as determined by the mediator;

(b) The net present value of receiving payments pursuant to a modified mortgage loan as compared to the anticipated net recovery following foreclosure;

(c) Any affordable loan modification calculation and net present value calculation when required under any federal mortgage relief program(~~(, including the home affordable modification program (HAMP) as applicable to government-sponsored enterprise and nongovernment sponsored enterprise loans)~~) and any ~~((HAMP-related))~~ modification program ~~((applicable))~~ related to loans insured by the federal housing administration, the veterans administration, and the rural housing service. If such a calculation is not provided or required, then the beneficiary must provide the net present value data inputs established by the federal deposit insurance corporation and published in the federal deposit insurance corporation loan modification program guide or other net present value data inputs as designated by the department. The mediator may run the

calculation in order for a productive mediation to occur and to comply with the mediator certification requirement; and

(d) Any other loss mitigation guidelines to loans insured by the federal housing administration, the veterans administration, and the rural housing service, if applicable.

(10) A violation of the duty to mediate in good faith as required under this section may include:

(a) Failure to timely participate in mediation without good cause;

(b) Failure of the borrower or the beneficiary to provide the documentation required before mediation or pursuant to the mediator's instructions;

(c) Failure of a party to designate representatives with adequate authority to fully settle, compromise, or otherwise reach resolution with the borrower in mediation; and

(d) A request by a beneficiary that the borrower waive future claims he or she may have in connection with the deed of trust, as a condition of agreeing to a modification, except for rescission claims under the federal truth in lending act. Nothing in this section precludes a beneficiary from requesting that a borrower dismiss with prejudice any pending claims against the beneficiary, its agents, loan servicer, or trustee, arising from the underlying deed of trust, as a condition of modification.

(11) If the mediator reasonably believes a borrower will not attend a mediation session based on the borrower's conduct, such as the lack of response to the mediator's communications, the mediator may cancel a scheduled mediation session and send a written cancellation to the department and the trustee and send copies to the parties. The beneficiary may proceed with the foreclosure after receipt of the mediator's written confirmation of cancellation.

(12) Within seven business days after the conclusion of the mediation session, the mediator must send a written certification to the department and the trustee and send copies to the parties of:

(a) The date, time, and location of the mediation session;

(b) The names of all persons attending in person and by telephone or videoconference, at the mediation session;

(c) Whether a resolution was reached by the parties, including whether the default was cured by reinstatement, modification, or restructuring of the debt, or some other alternative to foreclosure was agreed upon by the parties;

(d) Whether the parties participated in the mediation in good faith; and

(e) If a written agreement was not reached, a description of any net present value test used, along with a copy of the inputs, including the result of any net present value test expressed in a dollar amount.

(13) If the parties are unable to reach an agreement, the beneficiary may proceed with the foreclosure after receipt of the mediator's written certification.

(14)(a) The mediator's certification that the beneficiary failed to act in good faith in mediation constitutes a defense to the nonjudicial foreclosure action that was the basis for initiating the mediation. In any action to enjoin the foreclosure, the beneficiary is entitled to rebut the allegation that it failed to act in good faith.

(b) The mediator's certification that the beneficiary failed to act in good faith during mediation does not constitute a defense to a judicial foreclosure or a future nonjudicial foreclosure action if a modification of the loan is agreed upon and the borrower subsequently defaults.

(c) If an affordable loan modification is not offered in the mediation or a written agreement was not reached and the mediator's certification shows that the net present value of the modified loan exceeds the anticipated net recovery at foreclosure, that showing in the certification constitutes a basis for the borrower to enjoin the foreclosure.

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(15) The mediator's certification that the borrower failed to act in good faith in mediation authorizes the beneficiary to proceed with the foreclosure.

(16)(a) If a borrower has been referred to mediation before a notice of trustee sale has been recorded, a trustee may not record the notice of sale until the trustee receives the mediator's certification stating that the mediation has been completed. If the trustee does not receive the mediator's certification, the trustee may record the notice of sale after ten days from the date the certification to the trustee was due. If, after a notice of sale is recorded under this subsection (16)(a), the mediator subsequently issues a certification finding that the beneficiary violated the duty of good faith, the certification constitutes a basis for the borrower to enjoin the foreclosure.

(b) If a borrower has been referred to mediation after the notice of sale was recorded, the sale may not occur until the trustee receives the mediator's certification stating that the mediation has been completed.

(17) A mediator may charge reasonable fees as authorized by this subsection or as authorized by the department. Unless the fee is waived, the parties agree otherwise, or the department otherwise authorizes, a foreclosure mediator's fee may not exceed four hundred dollars for preparing, scheduling, and conducting a mediation session lasting between one hour and three hours. For a mediation session exceeding three hours, the foreclosure mediator may charge a reasonable fee, as authorized by the department. The mediator must provide an estimated fee before the mediation, and payment of the mediator's fee must be divided equally between the beneficiary and the borrower. The beneficiary and the borrower must tender the loan mediator's fee within thirty calendar days from receipt of the department's letter referring the parties to mediation or pursuant to the mediator's instructions.

(18) Beginning December 1, 2012, and every year thereafter, the department shall report annually to the legislature on:

(a) The performance of the program, including the numbers of borrowers who are referred to mediation by a housing counselor or attorney;

(b) The results of the mediation program, including the number of mediations requested by housing counselors and attorneys, the number of certifications of good faith issued, the number of borrowers and beneficiaries who failed to mediate in good faith, and the reasons for the failure to mediate in good faith, if known, the numbers of loans restructured or modified, the change in the borrower's monthly payment for principal and interest and the number of principal write-downs and interest rate reductions, and, to the extent practical, the number of borrowers who report a default within a year of restructuring or modification;

(c) The information received by housing counselors regarding outcomes of foreclosures; and

(d) Any recommendations for changes to the statutes regarding the mediation program.

Sec. 7. RCW 61.24.173 and 2016 c 196 s 2 are each amended to read as follows:

(1) Except as provided in subsections ~~((4) and)~~ (5) and (6) of this section, beginning July 1, 2016, and every quarter thereafter, every beneficiary on whose behalf a notice of trustee's sale has been recorded pursuant to RCW 61.24.040 on residential real property under this chapter must:

(a) Report to the department the number of notices of trustee's sale recorded for each residential property during the previous quarter;

(b) Remit the amount required under subsection (2) of this section; and

(c) Report and update beneficiary contact information for the

person and work group responsible for the beneficiary's compliance with the requirements of the foreclosure fairness act created in this chapter.

(2) For each notice of trustee's sale recorded on residential real property, the beneficiary on whose behalf the notice of trustee's sale has been recorded shall remit ~~((two))~~ three hundred ~~((fifty))~~ twenty-five dollars to the department to be deposited, as provided under RCW 61.24.172, into the foreclosure fairness account. The ~~((two))~~ three hundred ~~((fifty))~~ twenty-five dollar payment is required for every recorded notice of trustee's sale for noncommercial loans on residential real property, but does not apply to the recording of an amended notice of trustee's sale. ~~((If the beneficiary previously made a payment under RCW 61.24.174, as it existed prior to July 1, 2016, for a notice of default supporting the recorded notice of trustee's sale, no payment is required under this section.))~~ No later than January 1, 2020, the department may from time to time adjust the amount of the fee, not to exceed three hundred twenty-five dollars, at a sufficient level to defray the costs of the program. The beneficiary shall remit the total amount required in a lump sum each quarter.

(3) Any adjustment to the amount of the fee, pursuant to the authority of subsection (2) of this section, shall be made by rule adopted by the department in accordance with the provisions of chapter 34.05 RCW.

(4) Reporting and payments under subsections (1) and (2) of this section are due within forty-five days of the end of each quarter.

~~((4))~~ (5) This section does not apply to any beneficiary or loan servicer that is a federally insured depository institution, as defined in 12 U.S.C. Sec. 461(b)(1)(A), and that certifies under penalty of perjury that fewer than fifty notices of trustee's sale were recorded on its behalf in the preceding year.

~~((5))~~ (6) This section does not apply to association beneficiaries subject to chapter 64.32, 64.34, or 64.38 RCW.

~~((6))~~ (7) For purposes of this section, "residential real property" includes residential real property with up to four dwelling units, whether or not the property or any part thereof is owner-occupied.

NEW SECTION. Sec. 8. A new section is added to chapter 61.24 RCW to read as follows:

(1) If a trustee under a deed of trust is named as a defendant in an action or proceeding in which that deed of trust is the subject, and if there are no substantive allegations that seek damages from the trustee or seek to enjoin the foreclosure based on any alleged unlawful actions or omissions by the trustee, including causes of action where the trustee is a codefendant alleged to be jointly or derivatively liable with respect to the trustee's conduct as to the borrower or the trustee's statutory obligations, not less than thirty-five days after service of the summons and complaint on the trustee, the trustee may file a declaration of nonmonetary status. The declaration must be served on the parties in the manner set forth in superior court civil rule (CR) 5.

(2) The declaration of nonmonetary status must set forth:

(a) The status of the trustee as trustee under the deed of trust that is the subject of the action or proceeding;

(b) That the complaint or pleading does not assert any substantive allegations that seek damages from the trustee or seek to enjoin the foreclosure based on any alleged unlawful actions or omissions by the trustee;

(c) That it has been named as a defendant in the proceeding solely in its capacity as a trustee under the deed of trust and that the trustee agrees to be bound by whatever order or judgment is issued by the court regarding the subject deed of trust;

(d) A statement printed in no less than twelve-point font and bolded that reads:

"You have 30 days from service of this declaration to file and serve an objection with the court in compliance with RCW 61.24.--- (this section). If you do not timely object, the trustee will be deemed a nominal party to this action and you may not seek monetary relief against it.

Your case may also be removed to federal court if the trustee was the only defendant domiciled in Washington."

(3) The parties who have appeared in the action or proceeding have thirty days from the service of the declaration by the trustee in which to object to the nonmonetary status of the trustee. Any objection must set forth the allegations against the trustee in a manner sufficient to satisfy the pleading standard of superior court civil rule (CR) 8(a).

(4) The objection must:

(a) Conform to superior court civil rule (CR) 10 and the caption must include the following identification: "Objection to Declaration of Nonmonetary Status of Defendant F:\Journal\2018 Journal\Journal2018\LegDay053\trustee.docF:\Journal\2018 Journal\Journal2018\LegDay053\trustee.doc was not foundF:\Journal\2018 Journal\Journal2018\LegDay053\trustee.doc was not found";

(b) Contain a short and plain statement of the claim against defendant trustee as described in the complaint, showing that the plaintiff is entitled to relief. Allegations against the trustee may not be raised for the first time in the objection;

(c) Be filed with the court within thirty days of service of the trustee's declaration of nonmonetary status described in subsection (1) of this section;

(d) Be served on the trustee in the manner set forth in superior court civil rule (CR) 5.

(5) Upon filing of a timely objection with the court and timely service of the objection, the trustee must thereafter be required to participate in the action or proceeding.

(6) If an objection is not filed and served within the thirty-day objection period, the trustee: Is not required to participate any further in the action or proceeding; is not subject to any monetary awards as and for damages, attorneys' fees, or costs; and is bound by any court order relating to the subject deed of trust that is the subject of the action or proceeding. The trustee's nonmonetary status is not established until the thirty-day objection period has passed without filing and service of an objection pursuant to subsection (5) of this section.

(7) In the event a party or parties elect not to or fail to timely object to the declaration of nonmonetary status, but later through discovery or otherwise determine that the trustee should participate in the action, the parties may file and serve on all parties and the trustee a motion pursuant to superior court civil rule (CR) 15. Upon the court's granting of the motion, the trustee must thereafter be required to participate in the action or proceeding, and the court must provide sufficient time before trial for the trustee to be able to respond to the complaint, to conduct discovery, and to bring other pretrial motions in accordance with Washington superior court civil rules.

(8) Upon the filing of the declaration of nonmonetary status, the time within which the trustee is required to file an answer or other responsive pleading is tolled for the period of time within which the opposing parties may object to the declaration. Upon the timely service of an objection to the declaration of nonmonetary status, the trustee has thirty days from the date of service within which to file an answer or other responsive pleading to the complaint or cross-complaint.

(9) For purposes of this section, "trustee" includes any agent or employee of the trustee who performs some or all the duties of a trustee under this chapter and includes substituted trustees and agents of the trustee.

(10) If upon objection to the trustee's declaration of

nonmonetary status the court finds that the declaration was filed without sufficient support based upon the allegations made in the complaint, the court may award the plaintiff attorneys' fees and costs associated with the objection together with any actual damages demonstrated. Any award may be made after notice and hearing with submission of evidence of the attorneys' fees and damages.

NEW SECTION. Sec. 9. A new section is added to chapter 61.12 RCW to read as follows:

(1) Before any mortgagee of residential real property commences any legal action under RCW 61.12.040 to foreclose any reverse residential mortgage, such person shall give the mortgagor notice of such intention at least thirty-three days in advance. For the purposes of this section "residential real property" means property consisting solely of a single-family residence, a two-to-four-unit owner occupied dwelling, a residential condominium unit, a manufactured home, or a residential cooperative unit.

(2) Notice of intention to take action as specified in subsection (1) of this section must be in writing and sent to the resident mortgagor or, in case of the death of the last surviving mortgagor, addressed to any known surviving spouse or to "unknown heirs" of the residential mortgagor, by first-class and either certified or registered mail, return receipt requested, at his or her last known address and, if different, at the residence which is the subject of the residential mortgage.

(3) The written notice must be in English and Spanish, in a form to be published by the department of commerce, and must clearly and conspicuously state:

(a) The particular obligation or real estate security interest;

(b) The nature of the default claimed or the reason for acceleration of the mortgage;

(c) Except in cases where the acceleration is due to the death of the last surviving mortgagor, the right, if any, of the mortgagor to cure the default and exactly what performance, including what sum of money, if any, must be tendered to cure the default;

(d) Except in cases where the acceleration is due to the death of the last surviving mortgagor, the applicable time within which the mortgagor must cure the default;

(e) A statement printed in no less than twelve-point font and bolded that reads:

"If you do nothing to cure the default, if any, we intend to start a lawsuit to foreclose your mortgaged property. If the mortgage is foreclosed, your mortgaged property will be sold to pay off the mortgage debt. You should contact a housing counselor or attorney as soon as possible."; and

(f) The toll-free telephone number to find a department-approved home equity conversion mortgage counseling agency from the United States department of housing and urban development, the toll-free numbers for the statewide foreclosure hotline recommended by the housing finance commission, and the statewide civil legal aid hotline for assistance and referrals.

(4) It is an unfair or deceptive act in trade or commerce and an unfair method of competition in violation of the consumer protection act, chapter 19.86 RCW, affecting the public interest, for any person or entity to:

(a) Fail to send the notice as required in this section at least thirty-three days before accelerating the maturity of any reverse residential mortgage obligation or commencing any legal action under RCW 61.12.040;

(b) Fail to state the nature of the default, the correct amount or action that is required to cure the default, if any, or the time and manner in which to cure if cure is possible; or

(c) To send the notice required in this section without the advisory language and information about foreclosure assistance.

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NEW SECTION. Sec. 10. (1) This chapter applies only to residential real property consisting solely of a single-family residence, a residential condominium unit, or a residential cooperative unit.

(2) For purposes of this chapter:

(a) Property is "abandoned" when there are no signs of occupancy and at least three of the following indications of abandonment are visible from the exterior:

(i) The absence of furnishings and personal items consistent with residential habitation;

(ii) The gas, electric, or water utility services have been disconnected;

(iii) Statements by neighbors, passersby, delivery agents, or government employees that the property is vacant;

(iv) Multiple windows on the property are boarded up or closed off or are smashed through, broken, or unhinged, or multiple window panes are broken and unrepaired;

(v) Doors on the residence are substantially damaged, broken off, unhinged, or conspicuously open;

(vi) The property has been stripped of copper or other materials, or interior fixtures have been removed;

(vii) Law enforcement officials have received at least one report within the immediately preceding six months of trespassing or vandalism or other illegal activities by persons who enter unlawfully on the property;

(viii) The property has been declared unfit for occupancy and ordered to remain vacant and unoccupied pursuant to an order issued by a municipal or county authority or a court of competent jurisdiction;

(ix) Construction was initiated on the property and was discontinued before completion, leaving a building unsuitable for occupancy, and construction has not taken place for at least six months;

(x) Newspapers, circulars, flyers, or mail has accumulated on the property or the United States postal service has discontinued delivery to the property;

(xi) Rubbish, trash, debris, neglected vegetation, or natural overgrowth has accumulated on the property;

(xii) Hazardous, noxious, or unhealthy substances or materials have accumulated on the property;

(xiii) Other credible evidence exists indicating the intent to vacate and abandon the property.

(b) Property is in "mid-foreclosure" when, pursuant to chapter 61.24 RCW, a notice of default or notice of preforeclosure options has been issued or a notice of trustee's sale has been recorded in the office of the county auditor.

(c) Property is a "nuisance" when so determined by a county, city, or town pursuant to its authority under chapter 7.48 RCW or RCW 35.22.280, 35.23.440, 35.27.410, or 36.32.120.

NEW SECTION. Sec. 11. (1) A county, city, or town may notify a mortgage servicer that a property has been determined to be abandoned, in mid-foreclosure, and a nuisance.

(2) A notice issued pursuant to this section must:

(a) Be accompanied by an affidavit or a declaration made under penalty of perjury by a county, city, or town official that a property is abandoned, in mid-foreclosure, and a nuisance, and the affidavit or declaration must outline at least three indicators of abandonment and be supported with time and date stamped photographs, a finding that the property is a nuisance, and a copy of the notice of default, notice of preforeclosure options, or notice of trustee's sale; and

(b) Be sent to the mortgage servicer by certified mail.

NEW SECTION. Sec. 12. (1) A mortgage servicer may contact a county, city, or town regarding a property it believes to

be abandoned, and a nuisance and request that a county, city, or town official visit the property and make a determination as to whether the residential real property is abandoned and a nuisance. When making such a request, the mortgage servicer must furnish a copy of a notice of default, notice of preforeclosure options, or notice of trustee's sale applicable to the property.

(2) A county, city, or town shall respond to such a request within fifteen calendar days of receipt and notify the mortgage servicer:

(a) That a county, city, or town official has visited the property and determined that the property is not abandoned, or not a nuisance;

(b) That a county, city, or town official has visited the property and determined that the property is abandoned, in mid-foreclosure, and a nuisance. In this case, the notification shall be accompanied by an affidavit or a declaration made under penalty of perjury by a county, city, or town official that a property is abandoned, mid-foreclosure, and a nuisance, and the affidavit or declaration must outline at least three indicators of abandonment and be supported with time and date stamped photographs, a finding that the property is a nuisance, and a copy of the notice of default or notice of trustee's sale supplied by the mortgage servicer; or

(c) That the county, city, or town does not have adequate resources or is otherwise unable to make the requested determination.

NEW SECTION. Sec. 13. (1) Upon receipt from a county, city, or town of an affidavit or declaration under penalty of perjury that a property is abandoned, in mid-foreclosure, and a nuisance, a mortgage servicer or its designee may enter the property for the purposes of abating the identified nuisance, preserving property, or preventing waste and may take steps to secure the property, including but not limited to:

(a) Installing missing locks on exterior doors. If any locks are changed the mortgage servicer must provide a lock box. Working locks may not be removed or replaced unless all doors are secured and there is no means of entry, and in such cases only one working lock may be removed and replaced;

(b) Replacing or boarding broken or missing windows;

(c) Winterizing, including draining pipes and disconnecting or turning on utilities;

(d) Eliminating building code or other code violations;

(e) Securing exterior pools and spas;

(f) Performing routine yard maintenance on the exterior of the residence; and

(g) Performing pest and insect control services.

(2) The mortgage servicer or its designee must make a record of entry by means of dated and time-stamped photographs showing the manner of entry and personal items visible within the residence upon entry.

(3) Neither the mortgage servicer nor its designee may remove personal items from the property unless the items are hazardous or perishable, and in case of such removal must inventory the items removed.

(4) Prior to each entry, a mortgage servicer or its designee must ensure that a notice is posted on the front door that includes the following:

(a) A statement that, pursuant to RCW 7.28.230, until foreclosure and sale is complete the property owner or occupant authorized by the owner has the right to possession;

(b) A statement that the property owner or occupant authorized by the owner has the right to request that any locks installed by the mortgage servicer or its designee be removed within twenty-four hours and replaced with new locks accessible by the property owner or occupant authorized by the owner only;

(c) A toll-free, twenty-four hour number that the property owner or occupant authorized by the owner may call in order to gain timely entry, which entry must be provided no later than the next business day; and

(d) The phone number of the statewide foreclosure hotline recommended by the housing finance commission and the statewide civil legal aid hotline, together with a statement that the property owner may have the right to participate in foreclosure mediation pursuant to RCW 61.24.163.

(5) Records of entry onto property pursuant to this section must be maintained by the mortgage servicer or its designee for at least four years from the date of entry.

(6) If, upon entry, the property is found to be occupied, the mortgage servicer or its designee must leave the property immediately, notify the county, city, or town, and thereafter neither the mortgage servicer nor its designee may enter the property regardless of whether the property constitutes a nuisance or complies with local code enforcement standards.

(7) In the event a mortgage servicer is contacted by the borrower and notified that the property is not abandoned, the mortgage servicer must so notify the county, city, or town and thereafter neither the mortgage servicer nor its designee may enter the property regardless of whether the property constitutes a nuisance or complies with local code enforcement standards.

(8) A county, city, or town is not liable for any damages caused by any act or omission of the mortgage servicer or its designee.

NEW SECTION. Sec. 14. Except in circumstances governed by section 13 (6) and (7) of this act, if a mortgage servicer receives notice from a county, city, or town pursuant to section 11 or 12(2)(b) of this act that a property is abandoned, in mid-foreclosure, and a nuisance, and the mortgage servicer does not abate the nuisance within the time prescribed by local ordinance, a county, city, or town may exercise its authority under chapter 7.48 RCW, RCW 35.22.280, 35.23.440, 35.27.410, 36.32.120, or any other applicable law to abate the nuisance and recover associated costs as set forth in section 16 of this act.

NEW SECTION. Sec. 15. (1) When a property has been the subject of foreclosure, a county, city or town may notify the grantee of the trustee's deed or sheriff's deed, via certified mail, that a property is a nuisance. Upon receipt of such a notice, the grantee of the trustee's deed or sheriff's deed shall respond within fifteen calendar days and provide one of the following responses:

(a) That the grantee of the trustee's deed or sheriff's deed will abate the nuisance within the time prescribed by local ordinance; or

(b) That the grantee of the trustee's deed or sheriff's deed does not have adequate resources to abate the nuisance within the time limits required by local ordinance.

(2) If the grantee of the trustee's deed or sheriff's deed is notified and does not abate the nuisance within the time prescribed by local ordinance, a county, city, or town may exercise its authority under chapter 7.48 RCW, RCW 35.22.280, 35.23.440, 35.27.410, 36.32.120, or any other applicable law to abate the nuisance and recover associated costs as set forth in section 16 of this act.

NEW SECTION. Sec. 16. Except in circumstances governed by section 13 (6) and (7) of this act, if, after issuance of a notice pursuant to section 11, 12(2)(b), or 15 of this act, a nuisance has not been abated within the time prescribed by local ordinance and the county, city, or town has exercised its authority under chapter 7.48 RCW, RCW 35.22.280, 35.23.440, 35.27.410, 36.32.120, or any other applicable law to abate the nuisance, the county, city, or town may recover its costs by levying an assessment on the real property on which the nuisance is situated

to reimburse the county, city, or town for the costs of abatement, excluding any associated fines or penalties. This assessment constitutes a lien against the property, and is binding upon successors in title only from the date the lien is recorded in the county in which the real property is located. This assessment is of equal rank with state, county, and municipal taxes and is assessed against the real property upon which cost was incurred unless such amount is previously paid.

NEW SECTION. Sec. 17. The authority provided pursuant to this chapter is in addition to, and not in limitation of, any other authority provided by law.

NEW SECTION. Sec. 18. Sections 10 through 17 of this act constitute a new chapter in Title 7 RCW."

On page 1, line 2 of the title, after "foreclosure;" strike the remainder of the title and insert "amending RCW 61.24.030, 61.24.040, 61.24.045, 61.24.050, 61.24.130, 61.24.163, and 61.24.173; adding a new section to chapter 61.24 RCW; adding a new section to chapter 61.12 RCW; and adding a new chapter to Title 7 RCW."

MOTION

Senator Mullet moved that the following floor amendment no. 819 by Senator Mullet be adopted:

On page 2, line 22 of the amendment, after "and" insert ". for residential real property."

On page 8, at the beginning of line 33 of the amendment, strike "61.24.173" and insert "61.24.005(4)"

The President declared the question before the Senate to be the adoption of floor amendment no. 819 by Senator Mullet on page 2, line 22 to Second Engrossed Substitute House Bill No. 2057.

The motion by Senator Mullet carried and floor amendment no. 819 was adopted by voice vote.

WITHDRAWAL OF AMENDMENT

On motion of Senator Hasegawa and without objection, floor amendment no. 845 by Senator Hasegawa on page 35, line 9 to House Bill No. 2057 was withdrawn.

On page 35, line 9, after "English and Spanish" insert "or other language upon request"

The President declared the question before the Senate to be the adoption of striking floor amendment no. 812 by Senator Mullet as amended to Second Engrossed Substitute House Bill No 2057.

The motion by Senator Mullet carried and striking floor amendment no. 812 as amended was adopted by voice vote.

MOTION

On motion of Senator Mullet, the rules were suspended, Second Engrossed Substitute House Bill No. 2057 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Mullet and Angel spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Engrossed Substitute House Bill No. 2057 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Second Engrossed Substitute House Bill No. 2057 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO. 2057, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

Senator Baumgartner made the motion to adjourn.
 Senator Lias objected to the motion of Senator Baumgartner.

REMARKS BY SENATOR BAUMGARTNER

Senator Baumgartner: "Thank you Mr. President there's an SEIU dinner tonight a like, a lot of us would like to go to if we could have some time to come that we could go and come back and do our work. Please support my motion."

Senator Lias: "Thank you Mr. President I was really disappointed to miss the BIAW dinner earlier this week so I think that, you know, we're gonna miss, we're gonna miss various dinners, we're gonna have to keep working together here today so I'm asking for a no on the motion to adjourn."

REMARKS BY THE PRESIDENT

President Habib: "This is just collectively a low point. Thankfully I think the public's attention's focused in a different part of the building, or several different parts of this building."

The President declared the question before the Senate to be the motion by Senator Baumgartner to adjourn.

The motion by Senator Baumgartner did not carry by voice vote.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2634, by House Committee on Environment (originally sponsored by Representatives Chapman, Graves, Fitzgibbon, Hayes, Tarleton, Hudgins and McBride)

Concerning the use of antifouling paints on recreational water vessels.

The measure was read the second time.

MOTION

On motion of Senator Carlyle, the rules were suspended, Substitute House Bill No. 2634 was advanced to third reading, the second reading considered the third and the bill was placed on

final passage.

Senators Carlyle and Ranker spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2634.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2634 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE HOUSE BILL NO. 2634, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2597, by House Committee on Finance (originally sponsored by Representatives Sullivan, Wylie, Slatter, Sawyer, Stanford, Pollet, Kloba, Bergquist, Ormsby, Kilduff and Macri)

Extending the existing state property tax exemption for residences of senior citizens and disabled persons to local regular property taxes.

The measure was read the second time.

MOTION

On motion of Senator Takko, the rules were suspended, Substitute House Bill No. 2597 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Takko and Short spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2597.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2597 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE HOUSE BILL NO. 2597, having received the constitutional majority, was declared passed. There being no

objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2578, by House Committee on Appropriations (originally sponsored by Representatives Riccelli, Kirby, Macri, Peterson, Appleton, McBride, Frame, Doglio, Stanford, Goodman, Senn, Gregerson, Wylie, Sawyer, Kloba, Santos, Ormsby, Robinson and Bergquist)

Preserving and expanding rental housing options for persons whose source of income is derived from or includes sources other than employment. Revised for 2nd Substitute: Ensuring housing options.

The measure was read the second time.

MOTION

Senator Mullet moved that the following committee striking amendment by the Committee on Financial Institutions & Insurance be adopted:

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1. A new section is added to chapter 59.18 RCW to read as follows:

(1) A landlord may not, based on the source of income of an otherwise eligible prospective tenant or current tenant:

(a) Refuse to lease or rent any real property to a prospective tenant or current tenant, unless the: (i) Prospective tenant's or current tenant's source of income is conditioned on the real property passing inspection; (ii) written estimate of the cost of improvements necessary to pass inspection is more than one thousand five hundred dollars; and (iii) landlord has not received moneys from the landlord mitigation program account to make the improvements;

(b) Expel a prospective tenant or current tenant from any real property;

(c) Make any distinction, discrimination, or restriction against a prospective tenant or current tenant in the price, terms, conditions, fees, or privileges relating to the rental, lease, or occupancy of real property or in the furnishing of any facilities or services in connection with the rental, lease, or occupancy of real property;

(d) Attempt to discourage the rental or lease of any real property to a prospective tenant or current tenant;

(e) Assist, induce, incite, or coerce another person to commit an act or engage in a practice that violates this section;

(f) Coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of the person having exercised or enjoyed or having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected under this section;

(g) Represent to a person that a dwelling unit is not available for inspection or rental when the dwelling unit in fact is available for inspection or rental; or

(h) Otherwise make unavailable or deny a dwelling unit to a prospective tenant or current tenant that, but for his or her source of income, would be eligible to rent real property.

(2) A landlord may not publish, circulate, issue, or display, or cause to be published, circulated, issued, or displayed, any communication, notice, advertisement, or sign of any kind relating to the rental or lease of real property that indicates a

preference, limitation, or requirement based on any source of income.

(3) If a landlord requires that a prospective tenant or current tenant have a certain threshold level of income, any source of income in the form of a rent voucher or subsidy must be subtracted from the total of the monthly rent prior to calculating if the income criteria have been met.

(4) A person in violation of this section shall be held liable in a civil action up to four and one-half times the monthly rent of the real property at issue, as well as court costs and reasonable attorneys' fees.

(5) As used in this section, "source of income" includes benefits or subsidy programs including housing assistance, public assistance, emergency rental assistance, veterans benefits, social security, supplemental security income or other retirement programs, and other programs administered by any federal, state, local, or nonprofit entity. "Source of income" does not include income derived in an illegal manner.

NEW SECTION. Sec. 2. A new section is added to chapter 43.31 RCW to read as follows:

(1) Subject to the availability of funds for this purpose, the landlord mitigation program is created and administered by the department. The department shall have such rule-making authority as the department deems necessary to administer the program. The following types of claims related to landlord mitigation for renting private market rental units to low-income tenants using a housing subsidy program are eligible for reimbursement from the landlord mitigation program account:

(a) Up to one thousand dollars for improvements identified in section 1(1)(a) of this act. In order to be eligible for reimbursement under this subsection (1)(a), the landlord must pay for the first five hundred dollars for improvements, and rent to the tenant whose housing subsidy program was conditioned on the real property passing inspection. Reimbursement under this subsection (1)(a) may also include up to fourteen days of lost rental income from the date of offer of housing to the applicant whose housing subsidy program was conditioned on the real property passing inspection until move in by that applicant;

(b) Reimbursement for damages as reflected in a judgment obtained against the tenant through either an unlawful detainer proceeding, or through a civil action in a court of competent jurisdiction after a hearing;

(c) Reimbursement for damages established pursuant to subsection (2) of this section; and

(d) Reimbursement for unpaid rent and unpaid utilities, provided that the landlord can evidence it to the department's satisfaction.

(2) In order for a claim under subsection (1)(c) of this section to be eligible for reimbursement from the landlord mitigation program account, a landlord must:

(a) Have ensured that the rental property was inspected at the commencement of the tenancy by both the tenant and the landlord or landlord's agent and that a detailed written move-in property inspection report, as required in RCW 59.18.260, was prepared and signed by both the tenant and the landlord or landlord's agent;

(b) Make repairs and then apply for reimbursement to the department;

(c) Submit a claim on a form to be determined by the department, signed under penalty of perjury; and

(d) Submit to the department copies of the move-in property inspection report specified in (a) of this subsection and supporting materials including, but not limited to, before repair and after repair photographs, videos, copies of repair receipts for labor and materials, and such other documentation or information as the department may request.

(3) The department shall make reasonable efforts to review a

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claim within ten business days from the date it received properly submitted and complete claims to the satisfaction of the department. In reviewing a claim, and determining eligibility for reimbursement, the department must receive documentation, acceptable to the department in its sole discretion, that the claim involves a private market rental unit rented to a low-income tenant who is using a housing subsidy program.

(4) Claims related to a tenancy must total at least five hundred dollars in order for a claim to be eligible for reimbursement from the program. While claims or damages may exceed five thousand dollars, total reimbursement from the program may not exceed five thousand dollars per tenancy.

(5) Damages, beyond wear and tear, that are eligible for reimbursement include, but are not limited to: Interior wall gouges and holes; damage to doors and cabinets, including hardware; carpet stains or burns; cracked tiles or hard surfaces; broken windows; damage to household fixtures such as disposal, toilet, sink, sink handle, ceiling fan, and lighting. Other property damages beyond normal wear and tear may also be eligible for reimbursement at the department's discretion.

(6) All reimbursements for eligible claims shall be made on a first-come, first-served basis, to the extent of available funds. The department shall use best efforts to notify the tenant of the amount and the reasons for any reimbursements made.

(7) The department, in its sole discretion, may inspect the property and the landlord's records related to a claim, including the use of a third-party inspector as needed to investigate fraud, to assist in making its claim review and determination of eligibility.

(8) A landlord in receipt of reimbursement from the program is prohibited from:

(a) Taking legal action against the tenant for damages attributable to the same tenancy; or

(b) Pursuing collection, or authorizing another entity to pursue collection on the landlord's behalf, of a judgment against the tenant for damages attributable to the same tenancy.

(9) A landlord denied reimbursement under subsection (1)(c) of this section may seek to obtain a judgment from a court of competent jurisdiction and, if successful, may resubmit a claim for damages supported by the judgment, along with a certified copy of the judgment. The department may reimburse the landlord for that portion of such judgment that is based on damages reimbursable under the landlord mitigation program, subject to the limitations set forth in this section.

(10) Determinations regarding reimbursements shall be made by the department in its sole discretion.

(11) The department must establish a web site that advertises the landlord mitigation program, the availability of reimbursement from the landlord mitigation program account, and maintains or links to the agency rules and policies established pursuant to this section.

(12) Neither the state, the department, or persons acting on behalf of the department, while acting within the scope of their employment or agency, is liable to any person for any loss, damage, harm, or other consequence resulting directly or indirectly from the department's administration of the landlord mitigation program or determinations under this section.

(13)(a) A report to the appropriate committees of the legislature on the effectiveness of the program and recommended modifications shall be submitted to the governor and the appropriate committees of the legislature by January 1, 2021. In preparing the report, the department shall convene and solicit input from a group of stakeholders to include representatives of large multifamily housing property owners or managers, small rental housing owners in both rural and urban markets, a

representative of tenant advocates, and a representative of the housing authorities.

(b) The report shall include discussion of the effectiveness of the program as well as the department's recommendations to improve the program, and shall include the following:

(i) The number of total claims and total amount reimbursed to landlords by the fund;

(ii) Any indices of fraud identified by the department;

(iii) Any reports by the department regarding inspections authorized by and conducted on behalf of the department;

(iv) An outline of the process to obtain reimbursement for improvements and for damages from the fund;

(v) An outline of the process to obtain reimbursement for lost rent due to the rental inspection and tenant screening process, together with the total amount reimbursed for such damages;

(vi) An evaluation of the feasibility for expanding the use of the mitigation fund to provide up to ninety-day no interest loans to landlords who have not received timely rental payments from a housing authority that is administering section 8 rental assistance;

(vii) Any other modifications and recommendations made by stakeholders to improve the effectiveness and applicability of the program.

(14) As used in this section:

(a) "Housing subsidy program" means a housing voucher as established under 42 U.S.C. Sec. 1437 as of January 1, 2018, or other housing subsidy program including, but not limited to, valid short-term or long-term federal, state, or local government, private nonprofit, or other assistance program in which the tenant's rent is paid either partially by the program and partially by the tenant, or completely by the program directly to the landlord;

(b) "Low-income" means income that does not exceed eighty percent of the median income for the standard metropolitan statistical area in which the private market rental unit is located; and

(c) "Private market rental unit" means any unit available for rent that is owned by an individual, corporation, limited liability company, nonprofit housing provider, or other entity structure, but does not include housing acquired, or constructed by a public housing agency under 42 U.S.C. Sec. 1437 as it existed on January 1, 2018.

NEW SECTION. Sec. 3. A new section is added to chapter 43.31 RCW to read as follows:

(1) The landlord mitigation program account is created in the custody of the state treasury. All transfers and appropriations by the legislature, repayments, private contributions, and all other sources must be deposited into the account. Expenditures from the account may only be used for the landlord mitigation program under this chapter to reimburse landlords for eligible claims related to private market rental units during the time of their rental to low-income tenants using housing subsidy programs as defined in section 2 of this act and for the administrative costs identified in subsection (2) of this section. Only the director or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) Administrative costs associated with application, distribution, and other program activities of the department may not exceed ten percent of the annual funds available for the landlord mitigation program. Reappropriations must not be included in the calculation of the annual funds available for determining the administrative costs.

Sec. 4. 2017 3rd sp.s. c 4 s 1028 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Rapid Housing Improvement Program (30000863)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Except as provided in subsection (2) of this section, the reappropriation is subject to the provisions of section 1010, chapter 35, Laws of 2016 sp. sess.

(2) The department may use the reappropriation to implement this act.

Reappropriation:

Washington Housing Trust Account—State	\$194,000
Prior Biennia (Expenditures)	\$31,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$225,000

Sec. 5. RCW 36.22.178 and 2011 c 110 s 1 are each amended to read as follows:

The surcharge provided for in this section shall be named the affordable housing for all surcharge.

(1) Except as provided in subsection (3) of this section, a surcharge of ((ten)) thirteen dollars per instrument shall be charged by the county auditor for each document recorded, which will be in addition to any other charge authorized by law. The county may retain up to five percent of these funds collected solely for the collection, administration, and local distribution of these funds. Of the remaining funds, forty percent of the revenue generated through this surcharge will be transmitted monthly to the state treasurer who will deposit: (a) The portion of the funds attributable to ten dollars of the surcharge into the affordable housing for all account created in RCW 43.185C.190. The department of commerce must use these funds to provide housing and shelter for extremely low-income households, including but not limited to housing for victims of human trafficking and their families and grants for building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income households with incomes at or below thirty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses; and (b) the portion of the funds attributable to three dollars of the surcharge into the landlord mitigation program account created in section 3 of this act.

(2) All of the remaining funds generated by this surcharge will be retained by the county and be deposited into a fund that must be used by the county and its cities and towns for eligible housing activities as described in this subsection that serve very low-income households with incomes at or below fifty percent of the area median income. The portion of the surcharge retained by a county shall be allocated to eligible housing activities that serve extremely low and very low-income households in the county and the cities within a county according to an interlocal agreement between the county and the cities within the county consistent with countywide and local housing needs and policies. A priority must be given to eligible housing activities that serve extremely low-income households with incomes at or below thirty percent of the area median income. Eligible housing activities to be funded by these county funds are limited to:

(a) Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including units for homeownership, rental units, seasonal and permanent farmworker housing units, units reserved for victims of human trafficking and their families, and single room occupancy units;

(b) Supporting building operation and maintenance costs of housing projects or units within housing projects eligible to receive housing trust funds, that are affordable to very low-income households with incomes at or below fifty percent of the

area median income, and that require a supplement to rent income to cover ongoing operating expenses;

(c) Rental assistance vouchers for housing units that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including rental housing vouchers for victims of human trafficking and their families, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with or similar to the United States department of housing and urban development's section 8 rental assistance voucher program standards; and

(d) Operating costs for emergency shelters and licensed overnight youth shelters.

(3) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust.

NEW SECTION. Sec. 6. Section 1 of this act takes effect September 30, 2018."

On page 1, line 1 of the title, after "options;" strike the remainder of the title and insert "amending RCW 36.22.178; amending 2017 3rd sp.s. c 4 s 1028 (uncodified); adding a new section to chapter 59.18 RCW; adding new sections to chapter 43.31 RCW; prescribing penalties; and providing an effective date."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Financial Institutions & Insurance to Engrossed Second Substitute House Bill No. 2578.

The motion by Senator Mullet carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Mullet, the rules were suspended, Engrossed Second Substitute House Bill No. 2578 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Mullet, Angel and Frockt spoke in favor of passage of the bill.

Senator Baumgartner spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 2578 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 2578 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 36; Nays, 13; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Frockt, Hasegawa, Hobbs, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Wagoner, Walsh, Wellman and Zeiger

Voting nay: Senators Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Honeyford, Padden, Short, Warnick and Wilson

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2578, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1506, by House Committee on Labor & Workplace Standards (originally sponsored by Representatives Senn, Pellicciotti, Slatter, Macri, Peterson, Chapman, Ortiz-Self, Bergquist, Sawyer, Frame, Gregerson, Farrell, Kilduff, Kagi, Dolan, Clibborn, Pollet, McBride, Stanford, Doglio, Appleton, Robinson, Fitzgibbon, Sells, Goodman, Tharinger, Hudgins, Ormsby, Riccelli, Fey and Pettigrew)

Addressing workplace practices to achieve gender pay equity.

The measure was read the second time.

WITHDRAWAL OF AMENDMENT

On motion of Senator Baumgartner and without objection, floor amendment no. 817 by Senator Baumgartner on page 3, line 27 to Second Substitute House Bill No. 1506 was withdrawn.

On page 3, after line 27, insert the following:

"(4) A city, code city, town, county, or political subdivision may not enact a charter, ordinance, regulation, rule, or resolution:

(a) Creating a gender pay equity program or that alters or amends the provisions or requirements of this chapter or related equal pay, discrimination in compensation, career advancement opportunities, nondisclosure of wages or compensation, and other matters covered within this chapter for any private employer;

(b) Providing for local enforcement of the provisions of this chapter; or

(c) Requiring private employers to supplement the requirements or benefits provided under this chapter or to take additional actions or refrain from actions beyond the requirements of this chapter."

WITHDRAWAL OF AMENDMENT

On motion of Senator Baumgartner and without objection, floor amendment no. 411 by Senator Baumgartner on page 3, line 10 to Second Substitute House Bill No. 1506 was withdrawn.

On page 3, line 10, after "Are" strike "consistent with business necessity" and insert "supported by a legitimate business reason"

WITHDRAWAL OF AMENDMENT

On motion of Senator Baumgartner and without objection, floor amendment no. 412 by Senator Baumgartner on page 3, line 34 to Second Substitute House Bill No. 1506 was withdrawn.

On page 3, beginning on line 34, after "including" strike all material through "gender" on line 38, and insert "by failing to provide information about access to career advancement opportunities on the basis of gender"

WITHDRAWAL OF AMENDMENT

On motion of Senator Baumgartner and without objection, floor amendment no. 413 by Senator Baumgartner on page 7, line 1 to Second Substitute House Bill No. 1506 was withdrawn.

On page 7, line 1, after "from" strike "four" and insert "three"
On page 7, line 11, after "from" strike "four" and insert "three"

WITHDRAWAL OF AMENDMENT

On motion of Senator Baumgartner and without objection, floor amendment no. 414 by Senator Baumgartner on page 7, line 24 to Second Substitute House Bill No. 1506 was withdrawn.

On page 7, after line 24, insert the following:

"NEW SECTION. Sec. 10. A city, code city, town, county, or political subdivision may not enact a charter, ordinance, regulation, rule, or resolution:

(1) Creating a gender pay equity program that alters or amends the requirements of this chapter for any private employer;

(2) Providing for local enforcement of the provisions of this chapter; or

(3) Requiring private employers to supplement the requirements or benefits provided under this chapter."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 8, line 1, after "through" strike "11" and insert "12"

WITHDRAWAL OF AMENDMENT

On motion of Senator Rivers and without objection, floor amendment no. 759 by Senator Rivers on page 7, line 16 to Second Substitute House Bill No. 1506 was withdrawn.

On page 7, after line 16, insert the following:

"NEW SECTION. Sec. 9. (1) An employee who has filed a gender pay equity complaint with the department may elect to terminate the department's administrative action, thereby preserving any private right of action, by providing written notice to the department within ten business days after the employee's receipt of the department's citation and notice of assessment.

(2) If the employee elects to terminate the department's administrative action: (a) The department shall immediately discontinue its action against the employer; (b) the department shall vacate a citation and notice of assessment already issued by the department to the employer; and (c) the citation and notice of assessment, and any related findings of fact or conclusions of law by the department, and any payment or offer of payment by the employer of the wages, including interest, assessed by the department in the citation and notice of assessment, are not admissible in any court action or other judicial or administrative proceeding.

(3) Nothing in this section limits or affects: (a) The right of any employee to pursue any judicial, administrative, or other action available with respect to an employer; (b) the right of the department to pursue any judicial, administrative, or other action available with respect to an employee that is identified as a result of a gender pay equity complaint; or (c) the right of the department to pursue any judicial, administrative, or other action available with respect to an employer in the absence of a gender pay equity complaint."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 8, line 1, after "through" strike "11" and insert "12"

MOTION

Senator Nelson moved that the following striking floor amendment no. 832 by Senator Nelson be adopted:

Strike everything after the enacting clause and insert the

following:

"NEW SECTION. Sec. 1. The legislature finds that despite existing equal pay laws, there continues to be a gap in wages and advancement opportunities among workers in Washington, especially women. Income disparities limit the ability of women to provide for their families, leading to higher rates of poverty among women and children. The legislature finds that in order to promote fairness among workers, employees must be compensated equitably. Further, policies that encourage retaliation or discipline towards workers who discuss or inquire about compensation prevent workers from moving forward.

The legislature intends to update the existing Washington state equal pay act, not modified since 1943, to address income disparities, employer discrimination, and retaliation practices, and to reflect the equal status of all workers in Washington state.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Compensation" means discretionary and nondiscretionary wages and benefits provided by an employer to an employee as a result of the employment relationship.

(2) "Department" means the department of labor and industries.

(3) "Director" means the director of the department of labor and industries, or the director's designated representative.

(4) "Employee" means an employee who is employed in the business of the employee's employer whether by way of manual labor or otherwise.

(5) "Employer" means any person, firm, corporation, partnership, business trust, legal representative, or other business entity which engages in any business, industry, profession, or activity in this state and employs one or more employees, and includes the state, any state institution, state agency, political subdivisions of the state, and any municipal corporation or quasi-municipal corporation.

Sec. 3. RCW 49.12.175 and 1943 c 254 s 1 are each amended to read as follows:

~~(1) Any employer in this state (~~employing both males and females, who shall discriminate in any way in the payment of wages as between sexes or who shall pay any female a less wage, be it time or piece work, or salary, than is being paid to males~~) who discriminates in any way in providing compensation based on gender between similarly employed (~~or in any employment formerly performed by males, shall be~~) employees of the employer is guilty of a misdemeanor. If any (~~female~~) employee (~~shall~~) receives less compensation because of (~~being discriminated against~~) discrimination on account of (~~her sex, and~~) gender in violation of this section, (~~she shall be~~) that employee is entitled to (~~recover in a civil action the full amount of compensation that she would have received had she not been discriminated against~~) the remedies in sections 7 and 8 of this act. In such action, however, the employer shall be credited with any compensation which has been paid to (~~her~~) the employee upon account. (~~A differential in wages between employees based in good faith on a factor or factors other than sex shall not constitute discrimination within the meaning of RCW 49.12.010 through 49.12.180.~~)~~

(2) For purposes of this section, employees are similarly employed if the individuals work for the same employer, the performance of the job requires similar skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed.

(3)(a) Discrimination within the meaning of this section does not include a differential in compensation based in good faith on

a bona fide job-related factor or factors that:

(i) Are consistent with business necessity;

(ii) Are not based on or derived from a gender-based differential; and

(iii) Account for the entire differential. More than one factor may account for the differential.

(b) Such bona fide factors include, but are not limited to:

(i) Education, training, or experience;

(ii) A seniority system;

(iii) A merit system;

(iv) A system that measures earnings by quantity or quality of production; or

(v) A bona fide regional difference in compensation levels.

(c) A differential in compensation based in good faith on a local government ordinance providing for a minimum wage different from state law does not constitute discrimination under this section.

(d) An individual's previous wage or salary history is not a defense under this section.

(e) The employer carries the burden of proof on these defenses.

NEW SECTION. Sec. 4. (1) The legislature finds that equality of opportunity for advancement is key to reducing income disparities based on gender. The legislature further finds that using gender as a factor in advancement contributes to pay inequity.

(2) An employer may not, on the basis of gender, limit or deprive an employee of career advancement opportunities that would otherwise be available.

(3) A differential in career advancement based on a bona fide job-related factor or factors that meet the criteria in RCW 49.12.175(3)(a) (i) through (iii) (as recodified by this act) does not constitute discrimination within the meaning of this section. Such bona fide factors include, but are not limited to, the factors specified in RCW 49.12.175(3)(b) (i) through (iv) (as recodified by this act).

(4)(a) If it is determined that an employer committed a pattern of violations of this section as to an employee or committed a violation of this section through application of a formal or informal employer policy or practice, the employee is entitled to the remedies in this section and in section 8 of this act.

(b) Upon complaint by an employee, the director must investigate to determine if there has been compliance with this section and the rules adopted to implement this section. The director, upon complaint, may also initiate an investigation on behalf of one or more employees for a violation of this section and the rules adopted to implement this section. The director may require the testimony of witnesses and production of documents as part of an investigation.

(c) If the director determines that a violation occurred, the director shall attempt to resolve the violation by conference and conciliation.

(d) If no agreement is reached to resolve the violation and the director determines that the employer committed a pattern of violations of this section as to an employee or committed a violation of this section through application of a formal or informal employer policy or practice, the director may issue a citation and notice of assessment and order:

(i) The employer to pay to the employee actual damages, statutory damages equal to the actual damages or five thousand dollars, whichever is greater, and interest of one percent per month on all compensation owed;

(ii) The employer to pay to the department the costs of investigation and enforcement; and

(iii) Any other appropriate relief.

(e) In addition to the citation and notice of assessment, if the

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director determines that the employer committed a pattern of violations of this section as to an employee or committed a violation of this section through application of a formal or informal employer policy or practice, the director may order payment to the department of a civil penalty. The violation as to each affected employee constitutes a separate violation.

(i) For a first violation, the civil penalty may not exceed five hundred dollars.

(ii) For a repeat violation, the civil penalty may not exceed one thousand dollars or ten percent of the damages, whichever is greater.

(f) Section 7 (3), (4), and (5) of this act applies to this section.

NEW SECTION. Sec. 5. (1) An employer may not:

(a) Require nondisclosure by an employee of his or her wages as a condition of employment; or

(b) Require an employee to sign a waiver or other document that prevents the employee from disclosing the amount of the employee's wages.

(2) An employer may not discharge or in any other manner retaliate against an employee for:

(a) Inquiring about, disclosing, comparing, or otherwise discussing the employee's wages or the wages of any other employee;

(b) Asking the employer to provide a reason for the employee's wages or lack of opportunity for advancement; or

(c) Aiding or encouraging an employee to exercise his or her rights under this section.

(3) An employer may prohibit an employee who has access to compensation information of other employees or applicants as part of such employee's essential job functions from disclosing the wages of the other employees or applicants to individuals who do not otherwise have access to such information, unless the disclosure is in response to a complaint or charge, in furtherance of an investigation, or consistent with the employer's legal duty to provide the information and the disclosure is part of the employee's essential job functions. An employee described in this subsection otherwise has the protections of this section, including to disclose the employee's wages without retaliation.

(4) This section does not require an employee to disclose the employee's compensation.

(5) This section does not permit an employee to violate the requirements in chapter 49.17 RCW and rules adopted under that chapter.

NEW SECTION. Sec. 6. An employer may not retaliate, discharge, or otherwise discriminate against an employee because the employee has filed any complaint, or instituted or caused to be instituted any proceeding under this chapter, or has testified or is about to testify in any such proceeding, or because of the exercise by such employee on behalf of himself or herself or others of any right afforded by this chapter.

NEW SECTION. Sec. 7. (1) Upon complaint by an employee, the director must investigate to determine if there has been compliance with RCW 49.12.175 (as recodified by this act), sections 5 and 6 of this act, and the rules adopted under this chapter. The director, upon complaint, may also initiate an investigation on behalf of one or more employees for a violation of RCW 49.12.175 (as recodified by this act), sections 5 and 6 of this act, and the rules adopted under this chapter. The director may require the testimony of witnesses and production of documents as part of an investigation.

(2) If the director determines that a violation occurred, the director shall attempt to resolve the violation by conference and conciliation.

(a) If no agreement is reached to resolve the violation, the

director may issue a citation and notice of assessment and order the employer to pay to the complainant actual damages; statutory damages equal to the actual damages or five thousand dollars, whichever is greater; interest of one percent per month on all compensation owed; payment to the department of the costs of investigation and enforcement; and any other appropriate relief.

(b) In addition to the citation and notice of assessment, the director may order payment to the department of a civil penalty. For purposes of a civil penalty for violation of RCW 49.12.175 (as recodified by this act) and section 6 of this act, the violation as to each affected employee constitutes a separate violation.

(i) For a first violation, the civil penalty may not exceed five hundred dollars.

(ii) For a repeat violation, the civil penalty may not exceed one thousand dollars or ten percent of the damages, whichever is greater.

(3) An appeal from the director's determination may be taken in accordance with chapter 34.05 RCW. An employee who prevails is entitled to costs and reasonable attorneys' fees.

(4) The department must deposit civil penalties paid under this section in the supplemental pension fund established under RCW 51.44.033.

(5) Any wages and interest owed must be calculated from ten years before the complaint.

NEW SECTION. Sec. 8. (1) Subject to subsection (2) of this section, an employee may bring a civil action against an employer for violation of RCW 49.12.175 (as recodified by this act) and sections 4 through 6 of this act for actual damages; statutory damages equal to the actual damages or five thousand dollars, whichever is greater; interest of one percent per month on all compensation owed; and costs and reasonable attorneys' fees. The court may also order reinstatement and injunctive relief. The employee must bring a civil action within three years of the date of the alleged violation of this chapter regardless of whether the employee pursued an administrative complaint. Recovery of any wages and interest owed must be calculated from ten years prior to the date of filing the civil action.

(2) An employee alleging a violation of section 4 of this act is entitled to relief only if the court determines that the employer committed a pattern of violations as to the employee or committed a violation through application of a formal or informal employer policy or practice.

(3) A city, code city, town, county, or political subdivision may not enact a charter, ordinance, regulation, rule, or resolution:

(a) Creating a gender pay equity program that alters or amends the requirements of this chapter for any private employer;

(b) Providing for local enforcement of the provisions of this chapter; or

(c) Requiring private employers to supplement the requirements or benefits provided under this chapter.

NEW SECTION. Sec. 9. A violation of this chapter occurs when a discriminatory compensation decision or other practice is adopted, when an individual becomes subject to a discriminatory compensation decision or other practice, or when an individual is affected by application of a discriminatory compensation decision or other practice, including each time wages, benefits, or other compensation is paid, resulting in whole or in part from such a decision or other practice.

NEW SECTION. Sec. 10. The department shall include notice of the provisions of this chapter in the next reprinting of employment posters.

NEW SECTION. Sec. 11. The department may adopt rules to implement sections 1 and 4 through 7 of this act and RCW

49.12.175 (as recodified by this act).

NEW SECTION. Sec. 12. RCW 49.12.175 is recodified as a section in chapter 49.--- RCW (the new chapter created in section 13 of this act).

NEW SECTION. Sec. 13. Sections 1, 2, and 4 through 11 of this act constitute a new chapter in Title 49 RCW."

On page 1, line 2 of the title, after "equity;" strike the remainder of the title and insert "amending RCW 49.12.175; adding a new chapter to Title 49 RCW; recodifying RCW 49.12.175; and prescribing penalties."

MOTION

Senator Baumgartner moved that the following floor amendment no. 838 by Senator Baumgartner be adopted:

On page 3, after line 12 of the amendment, insert the following:
"(4) A city, code city, town, county, or political subdivision may not enact a charter, ordinance, regulation, rule, or resolution:

(a) Creating a gender pay equity program or that alters or amends the provisions or requirements of this chapter or related equal pay, discrimination in compensation, career advancement opportunities, nondisclosure of wages or compensation, and other matters covered within this chapter for any private employer;

(b) Providing for local enforcement of the provisions of this chapter; or

(c) Requiring private employers to supplement the requirements or benefits provided under this chapter or to take additional actions or refrain from actions beyond the requirements of this chapter."

On page 7, at the beginning of line 8 of the amendment, strike all material through "chapter." on line 15

Senator Baumgartner spoke in favor of adoption of the amendment to the striking amendment.

MOTION

Senator Baumgartner demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

Senator Keiser spoke against adoption of the amendment to the striking amendment.

POINT OF INQUIRY

Senator Baumgartner: "Thank you Mr. President, would like to ask if Senator Keiser would yield to a question?"

President Habib: "Senator Keiser?"

Senator Baumgartner: "Okay, well I will make my comment as a rhetorical question to the people."

President Habib: "You can make it to me."

Senator Baumgartner: "To you Senator, excuse me, Mr., Mr. President. I hope and I question whether we can be sure that this underlying preemption amendment will remain as part of this underlying legislation so I would ask, Mr. President, if we had any sense of the level of confidence that we can be sure that this bill would pass in final form with preemption in part, that would be the question. Can we vote today against my striker knowing

that we will have confidence, or against my amendment on preemption knowing that we will have confidence that the underlying bill will maintain preemption if it passes in final form. That is the question I would have asked Senator Keiser, and I think it is germane to the debate, and I think this is the people's house, and you ought to stand up and answer questions in front of the people."

The President declared the question before the Senate to be the adoption of floor amendment no. 838 by Senator Baumgartner on page 3, after line 12 to striking floor amendment no 832.

ROLL CALL

The Secretary called the roll on the adoption of floor amendment no. 838 by Senator Baumgartner and the amendment was not adopted by the following vote: Yeas, 24; Nays, 25; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman .

MOTION

Senator Baumgartner moved that the following floor amendment no. 837 by Senator Baumgartner be adopted:

On page 6, line 26 of the amendment, after "from" strike "ten" and insert "three"

On page 7, line 1 of the amendment, after "from" strike "ten" and insert "three"

Senator Baumgartner spoke in favor of adoption of the amendment to the striking amendment.

MOTION

Senator Baumgartner demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

Senator Keiser spoke against adoption of the amendment to the striking amendment.

POINT OF INQUIRY

Senator Baumgartner: "Thank you Mr. President, rising to ask a question of Senator Keiser."

President Habib: "Senator Keiser?"

Senator Baumgartner: "Senator Keiser, there seems to be some confusion over this bill. Was this bill, subject to the striker, did it go through a public hearing process where people could weigh in on the striker?"

Senator Keiser: "As you know because you are on the Labor and Commerce Committee, we have had many many hearings on proposals, several different ones over the last three years on equal

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pay. This last striker, like many strikers that we had, was a culmination of many of those discussions and questions and concerns. But this is not Parliament. We don't need to go through a question period."

Senator Baumgartner: "Okay, well what I think I heard there was that this striker, which is replacing the bill, did not go through a public hearing process. Senator Keiser is certainly correct that there have been many, many hearings held on this subject matter, but this is a major piece of legislation, it is going to change a lot of things. It has not gone through the process for the public to weigh in. Transparency is oh so important. And this is a short, sixty day supplemental year and so many things are getting rushed through here. You know we are having to work into the dark of the night often to pass these things and I do have some worry about this so let's in the interest of safeguarding it, let's adopt this amendment so we can all support it and then because we didn't have that public process, and then if there is a challenge we can take it out next year.

Senator Fain spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 837 by Senator Baumgartner on page 6, line 26 to striking floor amendment no. 832.

ROLL CALL

The Secretary called the roll on the adoption of floor amendment no 837 by Senator Baumgartner and the amendment was not adopted by the following vote: Yeas, 24; Nays, 25; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman .

MOTION

Senator Rivers moved that the following floor amendment no. 846 by Senator Rivers be adopted:

On page 6, beginning on line 35 of the amendment, after "relief." strike all material through "complaint." on line 38 and insert "The employee may only bring a civil action if the employee: (a) Has terminated any administrative action of the director under section 7 of this act; (b) has not recovered under an administrative action of the director under section 7 of this act; and (c) files the civil action within three years of the date of the alleged violation of this chapter. If an employee has filed a civil action, the employee may not pursue an administrative action of the director under section 7 of this act."

Senators Rivers and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Keiser spoke against adoption of the amendment to the striking amendment.

MOTION

Senator Rivers demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of floor amendment no. 846 by Senator Rivers on page 6, line 35 to striking floor amendment no. 832.

ROLL CALL

The Secretary called the roll on the adoption of floor amendment no. 846 by Senator Rivers and the amendment was not adopted by the following vote: Yeas, 24; Nays, 25; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman .

The President declared the question before the Senate to be the adoption of striking floor amendment no. 832 by Senator Nelson to Second Substitute House Bill No. 1506.

The motion by Senator Nelson carried and striking floor amendment no. 832 was adopted by rising vote.

MOTION

On motion of Senator Keiser, the rules were suspended, Second Substitute House Bill No. 1506 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Keiser, Baumgartner and Cleveland spoke in favor of passage of the bill.

Senators Angel, Fain and Rivers spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1506 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1506 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 37; Nays, 12; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Frockt, Hasegawa, Hobbs, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Bailey, Becker, Fortunato, Hawkins, Honeyford, Padden, Rivers, Short, Wagoner, Warnick and Wilson

SECOND SUBSTITUTE HOUSE BILL NO. 1506, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Fain: "Thank you Mr. President. Maybe for the first six months I was down here, my wife paid attention to what was going on and maybe turning on TVW. She has not done that since. However, I will want to point out, Mr. President, the irony of the picture text I just received. Again, she is not listening to anything that is going on here tonight. It is a photo of a dirty dish that I left in the sink with a caption 'This irritates me'."

PERSONAL PRIVILEGE

Senator Rolfes: "Thank you. I actually spoke to, rose to spoke on the last bill, but didn't have a chance to get called on. And I guess, maybe I have been working to hard today, but I want to say that the point of this bill isn't that women work hard at home and that we send the birthday cards and we clean the dirty diapers. The point of this bill is that when we work we want to be paid equally. And every member of this floor, I know I am getting paid the same amount as Senator Fain is getting paid. That's the point of that bill."

SECOND READING

ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1488, by House Committee on Higher Education (originally sponsored by Representatives Hansen, Haler, Stokesbary, Ortiz-Self, Gregerson, Tarleton, Slatter and Hudgins)

Expanding higher education opportunities for certain students.

The measure was read the second time.

MOTION

Senator Ranker moved that the following committee striking amendment by the Committee on Higher Education & Workforce Development be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28B.118.010 and 2017 3rd sp.s. c 20 s 11 are each amended to read as follows:

The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section and in alignment with the state need grant program in chapter 28B.92 RCW unless otherwise provided in this section.

(1) "Eligible students" are those students who:

(a) Qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter;

(b) Are dependent pursuant to chapter 13.34 RCW and:

(i) In grade seven through twelve; or

(ii) Are between the ages of eighteen and twenty-one and have not graduated from high school; or

(c) Were dependent pursuant to chapter 13.34 RCW and were adopted between the ages of fourteen and eighteen with a negotiated adoption agreement that includes continued eligibility for the Washington state college bound scholarship program pursuant to RCW 74.13A.025.

(2) Eligible students shall be notified of their eligibility for the Washington college bound scholarship program beginning in

their seventh grade year. Students shall also be notified of the requirements for award of the scholarship.

(3)(a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a) of this section must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.

(b) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the higher education coordinating board or its successor by mail or electronically, as indicated on the form.

(4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.

(b)(i) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through ~~((d))~~ (e). A student who is eligible to receive the Washington college bound scholarship because the student is a resident student under RCW 28B.15.012(2)(e) must provide the institution, as defined in RCW 28B.15.012, an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses.

(ii) For eligible children as defined in subsection (1)(b) and (c) of this section, to receive the Washington college bound scholarship, a student must have received a high school equivalency certificate as provided in RCW 28B.50.536 or have graduated with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through ~~((d))~~ (e).

For a student who does not meet the "C" average requirement, and who completes fewer than two quarters in the running start program, under chapter 28A.600 RCW, the student's first quarter of running start course grades must be excluded from the student's overall grade point average for purposes of determining their eligibility to receive the scholarship.

(5) A student's family income will be assessed upon graduation before awarding the scholarship.

(6) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.

(b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public

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research universities in Washington or the representative average of awards granted to students in public research universities in Washington in the 2014-15 academic year, whichever is greater.

(c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington or the representative average of awards granted to students in public community and technical colleges in Washington in the 2014-15 academic year, whichever is greater.

(7) Recipients may receive no more than four full-time years' worth of scholarship awards.

(8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.

(9) The first scholarships shall be awarded to students graduating in 2012.

(10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.

(11) The scholarship award must be used within five years of receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.

(12) Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the scholarship tuition units shall revert to the Washington college bound scholarship account.

Sec. 2. RCW 28B.145.030 and 2014 c 208 s 3 are each amended to read as follows:

(1) The program administrator, under contract with the council, shall staff the board and shall have the duties and responsibilities provided in this chapter, including but not limited to publicizing the program, selecting participants for the opportunity scholarship award, distributing opportunity scholarship awards, and achieving the maximum possible rate of return on investment of the accounts in subsection (2) of this section, while ensuring transparency in the investment decisions and processes. Duties, exercised jointly with the board, include soliciting funds and setting annual fund-raising goals. The program administrator shall be paid an administrative fee as determined by the board.

(2) With respect to the opportunity scholarship program, the program administrator shall:

(a) Establish and manage two separate accounts into which to receive grants and contributions from private sources as well as state matching funds, and from which to disburse scholarship funds to participants;

(b) Solicit and accept grants and contributions from private sources, via direct payment, pledge agreement, or escrow account, of private sources for deposit into one or both of the two accounts created in this subsection (2)(b) in accordance with this subsection (2)(b):

(i) The "scholarship account," whose principal may be invaded, and from which scholarships must be disbursed beginning no later than December 1, 2011, if, by that date, state matching funds in the amount of five million dollars or more have been received. Thereafter, scholarships shall be disbursed on an annual basis beginning no later than May 1, 2012, and every October 1st thereafter;

(ii) The "endowment account," from which scholarship moneys may be disbursed from earnings only in years when:

(A) The state match has been made into both the scholarship and the endowment account;

(B) The state appropriations for the state need grant under RCW 28B.92.010 meet or exceed state appropriations for the state need grant made in the 2011-2013 biennium, adjusted for inflation, and eligibility for state need grant recipients is at least seventy percent of state median family income; and

(C) The state has demonstrated progress toward the goal of total per-student funding levels, from state appropriations plus tuition and fees, of at least the sixtieth percentile of total per-student funding at similar public institutions of higher education in the global challenge states, as defined, measured, and reported in RCW 28B.15.068. In any year in which the office of financial management reports that the state has not made progress toward this goal, no new scholarships may be awarded. In any year in which the office of financial management reports that the percentile of total per-student funding is less than the sixtieth percentile and at least five percent less than the prior year, pledges of future grants and contributions may, at the request of the donor, be released and grants and contributions already received refunded to the extent that opportunity scholarship awards already made can be fulfilled from the funds remaining in the endowment account. In fulfilling the requirements of this subsection, the office of financial management shall use resources that facilitate measurement and comparisons of the most recently completed academic year. These resources may include, but are not limited to, the data provided in a uniform dashboard format under RCW 28B.77.090 as the statewide public four-year dashboard and academic year reports prepared by the state board for community and technical colleges;

(iii) An amount equal to at least fifty percent of all grants and contributions must be deposited into the scholarship account until such time as twenty million dollars have been deposited into the account, after which time the private donors may designate whether their contributions must be deposited to the scholarship or the endowment account. The board and the program administrator must work to maximize private sector contributions to both the scholarship account and the endowment account, to maintain a robust scholarship program while simultaneously building the endowment, and to determine the division between the two accounts in the case of undesignated grants and contributions, taking into account the need for a long-term funding mechanism and the short-term needs of families and students in Washington. The first five million dollars in state match, as provided in RCW 28B.145.040, shall be deposited into the scholarship account and thereafter the state match shall be deposited into the two accounts in equal proportion to the private funds deposited in each account; and

(iv) Once moneys in the opportunity scholarship match transfer account are subject to an agreement under RCW 28B.145.050(5) and are deposited in the scholarship account or endowment account under this section, the state acts in a fiduciary rather than ownership capacity with regard to those assets. Assets in the scholarship account and endowment account are not considered state money, common cash, or revenue to the state;

(c) Provide proof of receipt of grants and contributions from private sources to the council, identifying the amounts received by name of private source and date, and whether the amounts received were deposited into the scholarship or the endowment account;

(d) In consultation with the council and the state board for community and technical colleges, make an assessment of the reasonable annual eligible expenses associated with eligible education programs identified by the board;

(e) Determine the dollar difference between tuition fees

charged by institutions of higher education in the 2008-09 academic year and the academic year for which an opportunity scholarship is being distributed;

(f) Develop and implement an application, selection, and notification process for awarding opportunity scholarships;

(g) Determine the annual amount of the opportunity scholarship for each selected participant. The annual amount shall be at least one thousand dollars or the amount determined under (e) of this subsection, but may be increased on an income-based, sliding scale basis up to the amount necessary to cover all reasonable annual eligible expenses as assessed pursuant to (d) of this subsection, or to encourage participation in baccalaureate degree programs identified by the board;

(h) Distribute scholarship funds to selected participants. Once awarded, and to the extent funds are available for distribution, an opportunity scholarship shall be automatically renewed as long as the participant annually submits documentation of filing both a free application for federal student aid and for available federal education tax credits, including but not limited to the American opportunity tax credit, or if ineligible to apply for federal student aid, the participant annually submits documentation of filing a state financial aid application as approved by the office of student financial assistance; and until the participant withdraws from or is no longer attending the program, completes the program, or has taken the credit or clock hour equivalent of one hundred twenty-five percent of the published length of time of the participant's program, whichever occurs first (~~and as long as the participant annually submits documentation of filing both a free application for federal student aid and for available federal education tax credits, including but not limited to the American opportunity tax credit~~); and

(i) Notify institutions of scholarship recipients who will attend their institutions and inform them of the terms of the students' eligibility.

(3) With respect to the opportunity expansion program, the program administrator shall:

(a) Assist the board in developing and implementing an application, selection, and notification process for making opportunity expansion awards; and

(b) Solicit and accept grants and contributions from private sources for opportunity expansion awards.

Sec. 3. RCW 28B.15.012 and 2017 c 191 s 1 are each amended to read as follows:

Whenever used in this chapter:

(1) The term "institution" shall mean a public university, college, or community or technical college within the state of Washington.

(2) The term "resident student" shall mean:

(a) A financially independent student who has had a domicile in the state of Washington for the period of one year immediately prior to the time of commencement of the first day of the semester or quarter for which the student has registered at any institution and has in fact established a bona fide domicile in this state primarily for purposes other than educational;

(b) A dependent student, if one or both of the student's parents or legal guardians have maintained a bona fide domicile in the state of Washington for at least one year immediately prior to commencement of the semester or quarter for which the student has registered at any institution;

(c) A student classified as a resident based upon domicile by an institution on or before May 31, 1982, who was enrolled at a state institution during any term of the 1982-1983 academic year, so long as such student's enrollment (excepting summer sessions) at an institution in this state is continuous;

(d) Any student who has spent at least seventy-five percent of

both his or her junior and senior years in high schools in this state, whose parents or legal guardians have been domiciled in the state for a period of at least one year within the five-year period before the student graduates from high school, and who enrolls in a public institution of higher education within six months of leaving high school, for as long as the student remains continuously enrolled for three quarters or two semesters in any calendar year;

(e) Any person who has completed the full senior year of high school and obtained a high school diploma, both at a Washington public high school or private high school approved under chapter 28A.195 RCW, or a person who has received the equivalent of a diploma; who has lived in Washington for at least three years immediately prior to receiving the diploma or its equivalent; who has continuously lived in the state of Washington after receiving the diploma or its equivalent and until such time as the individual is admitted to an institution of higher education under subsection (1) of this section; and who provides to the institution an affidavit indicating that the individual will file an application to become a permanent resident at the earliest opportunity the individual is eligible to do so and a willingness to engage in any other activities necessary to acquire citizenship, including but not limited to citizenship or civics review courses;

(f) Any person who has lived in Washington, primarily for purposes other than educational, for at least one year immediately before the date on which the person has enrolled in an institution, and who holds lawful nonimmigrant status pursuant to 8 U.S.C. Sec. (a)(15) (E)(iii), (H)(i), or (L), or who holds lawful nonimmigrant status as the spouse or child of a person having nonimmigrant status under one of those subsections, or who, holding or having previously held such lawful nonimmigrant status as a principal or derivative, has filed an application for adjustment of status pursuant to 8 U.S.C. Sec. 1255(a);

(g) A student who is on active military duty stationed in the state or who is a member of the Washington national guard;

(h) A student who is on active military duty or a member of the national guard who entered service as a Washington resident and who has maintained Washington as his or her domicile but is not stationed in the state;

(i) A student who is the spouse or a dependent of a person who is on active military duty or a member of the national guard who entered service as a Washington resident and who has maintained Washington as his or her domicile but is not stationed in the state. If the person on active military duty is reassigned out-of-state, the student maintains the status as a resident student so long as the student is continuously enrolled in a degree program;

(j) A student who is entitled to transferred federal post-9/11 veterans educational assistance act of 2008 (38 U.S.C. Sec. 3301 et seq.) benefits based on the student's relationship as a spouse, former spouse, or child to an individual who is on active duty in the uniformed services;

(k) A student who resides in the state of Washington and is the spouse or a dependent of a person who is a member of the Washington national guard;

(l) A student who has separated from the uniformed services with any period of honorable service after at least ninety days of active duty service; is eligible for benefits under the federal all-volunteer force educational assistance program (38 U.S.C. Sec. 3001 et seq.), the federal post-9/11 veterans educational assistance act of 2008 (38 U.S.C. Sec. 3301 et seq.), or any other federal law authorizing educational assistance benefits for veterans; and enters an institution of higher education in Washington within three years of the date of separation;

(m) A student who is entitled to veterans administration educational assistance benefits based on the student's relationship as a spouse, former spouse, or child to an individual who has separated from the uniformed services with any period of

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honorable service after at least ninety days of active duty service, and who enters an institution of higher education in Washington within three years of the service member's date of separation;

(n) A student who is entitled to veterans administration educational assistance benefits based on the student's relationship with a deceased member of the uniformed services who died in the line of duty;

(o) A student of an out-of-state institution of higher education who is attending a Washington state institution of higher education pursuant to a home tuition agreement as described in RCW 28B.15.725;

(p) A student who meets the requirements of RCW 28B.15.0131 or 28B.15.0139: PROVIDED, That a nonresident student enrolled for more than six hours per semester or quarter shall be considered as attending for primarily educational purposes, and for tuition and fee paying purposes only such period of enrollment shall not be counted toward the establishment of a bona fide domicile of one year in this state unless such student proves that the student has in fact established a bona fide domicile in this state primarily for purposes other than educational;

(q) A student who resides in Washington and is on active military duty stationed in the Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington; or

(r) A student who resides in Washington and is the spouse or a dependent of a person who resides in Washington and is on active military duty stationed in the Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington. If the person on active military duty moves from Washington or is reassigned out of the Oregon counties of Columbia, Gilliam, Hood River, Multnomah, Clatsop, Clackamas, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, or Washington, the student maintains the status as a resident student so long as the student resides in Washington and is continuously enrolled in a degree program.

(3)(a) A student who qualifies under subsection (2)(j), (l), (m), or (n) of this section and who remains continuously enrolled at an institution of higher education shall retain resident student status.

(b) Nothing in subsection (2)(j), (l), (m), or (n) of this section applies to students who have a dishonorable discharge from the uniformed services, or to students who are the spouse or child of an individual who has had a dishonorable discharge from the uniformed services, unless the student is receiving veterans administration educational assistance benefits.

(4) The term "nonresident student" shall mean any student who does not qualify as a "resident student" under the provisions of this section and RCW 28B.15.013. Except for students qualifying under subsection (2)(e) or (o) of this section, a nonresident student shall include:

(a) A student attending an institution with the aid of financial assistance provided by another state or governmental unit or agency thereof, such nonresidency continuing for one year after the completion of such semester or quarter. This condition shall not apply to students from Columbia, Multnomah, Clatsop, Clackamas, or Washington county, Oregon participating in the border county pilot project under RCW 28B.76.685, 28B.76.690, and 28B.15.0139.

(b) A person who is not a citizen of the United States of America (~~who does not have permanent or temporary resident status or does not hold "Refugee Parolee" or "Conditional Entrant" status with the United States citizenship immigration services or is not otherwise permanently residing in the United States under color of law and who does not also meet and comply~~

~~with all the applicable requirements in this section and RCW 28B.15.013-)), unless the person meets and complies with all applicable requirements in this section and RCW 28B.15.013 and is one of the following:~~

~~(i) A lawful permanent resident;~~

~~(ii) A temporary resident;~~

~~(iii) A person who holds "refugee-parolee," "conditional entrant," or U or T nonimmigrant status with the United States citizenship and immigration services;~~

~~(iv) A person who has been issued an employment authorization document by the United States citizenship and immigration services that is valid as of the date the person's residency status is determined;~~

~~(v) A person who has been granted deferred action for childhood arrival status before, on, or after the effective date of this section, regardless of whether the person is no longer or will no longer be granted deferred action for childhood arrival status due to the termination, suspension, or modification of the deferred action for childhood arrival program; or~~

~~(vi) A person who is otherwise permanently residing in the United States under color of law, including deferred action status.~~

(5) The term "domicile" shall denote a person's true, fixed and permanent home and place of habitation. It is the place where the student intends to remain, and to which the student expects to return when the student leaves without intending to establish a new domicile elsewhere. The burden of proof that a student, parent or guardian has established a domicile in the state of Washington primarily for purposes other than educational lies with the student.

(6) The term "dependent" shall mean a person who is not financially independent. Factors to be considered in determining whether a person is financially independent shall be set forth in rules adopted by the student achievement council and shall include, but not be limited to, the state and federal income tax returns of the person and/or the student's parents or legal guardian filed for the calendar year prior to the year in which application is made and such other evidence as the council may require.

(7) The term "active military duty" means the person is serving on active duty in:

(a) The armed forces of the United States government; or

(b) The Washington national guard; or

(c) The coast guard, merchant mariners, or other nonmilitary organization when such service is recognized by the United States government as equivalent to service in the armed forces.

(8) The term "active duty service" means full-time duty, other than active duty for training, as a member of the uniformed services of the United States. Active duty service as a national guard member under Title 32 U.S.C. for the purpose of organizing, administering, recruiting, instructing, or training and active service under 32 U.S.C. Sec. 502(f) for the purpose of responding to a national emergency is recognized as active duty service.

(9) The term "uniformed services" is defined by Title 10 U.S.C.; subsequently structured and organized by Titles 14, 33, and 42 U.S.C.; consisting of the United States army, United States marine corps, United States navy, United States air force, United States coast guard, United States public health service commissioned corps, and the national oceanic and atmospheric administration commissioned officer corps."

On page 1, line 2 of the title, after "students;" strike the remainder of the title and insert "and amending RCW 28B.118.010, 28B.145.030, and 28B.15.012."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee

on Higher Education & Workforce Development to Engrossed Third Substitute House Bill No. 1488.

The motion by Senator Ranker carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Ranker, the rules were suspended, Engrossed Third Substitute House Bill No. 1488 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Ranker spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Third Substitute House Bill No. 1488.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Third Substitute House Bill No. 1488 and the bill passed the Senate by the following vote: Yeas, 34; Nays, 15; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Frockt, Hasegawa, Hawkins, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Walsh, Wellman and Zeiger

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Brown, Ericksen, Fortunato, Honeyford, King, Padden, Rivers, Short, Wagoner, Warnick and Wilson

ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1488, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 6:49 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 7:47 p.m. by President Pro Tempore Keiser.

MOTION

At 7:47 p.m., on motion of Senator Liias, the Senate adjourned until 9:00 o'clock a.m. Friday, March 2, 2018.

CYRUS HABIB, President of the Senate

BRAD HENDRICKSON, Secretary of the Senate

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