
THIRTIETH DAY

House Chamber, Olympia, Wednesday, May 25, 2011

The House was called to order at 10:00 a.m. by the Speaker (Representative Orwall presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Paula Rehwaldt and Scott Obert. The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Kirk Pearson, 39th District, Washington.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

MESSAGES FROM THE SENATE

May 24, 2011

MR. SPEAKER:

The Senate has passed:

HOUSE BILL 1131
SECOND SUBSTITUTE HOUSE BILL 1132
SUBSTITUTE HOUSE BILL 2119

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

May 24, 2011

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE SENATE BILL 5181
ENGROSSED SUBSTITUTE SENATE BILL 5834

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary

May 24, 2011

MR. SPEAKER:

The President has signed:

SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1224
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1371
ENGROSSED SUBSTITUTE HOUSE BILL 1449
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1795
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1965
ENGROSSED HOUSE BILL 2123

and the same are herewith transmitted.

Thomas Hoemann, Secretary

May 24, 2011

MR. SPEAKER:

The President has signed:

SECOND ENGROSSED SUBSTITUTE SENATE BILL 5742
SECOND ENGROSSED SENATE BILL 5764

and the same are herewith transmitted.

Thomas Hoemann, Secretary

May 24, 2011

MR. SPEAKER:

The President has signed ENGROSSED SUBSTITUTE SENATE BILL 5749 and the same is herewith transmitted.

Thomas Hoemann, Secretary

INTRODUCTIONS AND FIRST READING

HB 2124 by Representatives Nealey, Takko, Haler, Blake, Armstrong, Short, Crouse, Kristiansen, Walsh, Klippert, Hinkle, Orcutt, Harris, Chandler, Johnson, Rodne, Overstreet, Bailey and McCune

AN ACT Relating to narrowing the requirement that utilities purchase electricity, renewable energy credits, or electric generating facilities that are not needed to serve their customers' loads; amending RCW 19.285.040; and creating a new section.

Referred to Committee on Environment.

HB 2125 by Representatives Parker, Schmick and Fagan

AN ACT Relating to the health care compact; adding a new chapter to Title 74 RCW; and creating a new section.

Referred to Committee on Health Care & Wellness.

SSB 5181 by Senate Committee on Ways & Means (originally sponsored by Senators Parlette, Kilmer, Zarelli, Murray, Litzow, Rockefeller, Stevens, Becker, Baumgartner and Hill)

AN ACT Relating to limitations on state debt; adding a new section to chapter 39.42 RCW; creating new sections; and making an appropriation.

ESSB 5834 by Senate Committee on Ways & Means (originally sponsored by Senators Murray, Litzow, McAuliffe, Nelson, Hill, White, Kohl-Welles, Fain and Eide)

AN ACT Relating to permitting counties to direct an existing portion of local lodging taxes to programs for arts, culture, heritage, tourism, and housing; and amending RCW 67.28.180, 36.38.010, and 36.100.220.

There being no objection, SUBSTITUTE SENATE BILL NO. 5181 was read the first time, and under suspension of the rules was placed on the second reading calendar.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated, with the exception of ENGROSSED SUBSTITUTE SENATE BILL NO. 5834, which was held on first reading.

The Speaker (Representative Orwall presiding) called upon Representative Moeller to preside.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

SUBSTITUTE SENATE BILL NO. 5181, by Senate Committee on Ways & Means (originally sponsored by Senators Parlette, Kilmer, Zarelli, Murray, Litzow, Rockefeller, Stevens, Becker, Baumgartner and Hill)

Creating a statutory limitation on state debts. Revised for 1st Substitute: Concerning limitations on state debt.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dunshee, Warnick and Smith spoke in favor of the passage of the bill.

Representative Ormsby spoke against the passage of the bill.

MOTION

On motion of Representative Hinkle, Representatives Anderson, Crouse, Hargrove, McCune and Overstreet were excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5181.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5181, and the bill passed the House by the following vote: Yeas, 79; Nays, 14; Absent, 0; Excused, 5.

Voting yea: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Frockt, Green, Haigh, Haler, Harris, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Johnson, Kagi, Kelley, Kenney, Klippert, Kretz, Kristiansen, Ladenburg, Lytton, Maxwell, Miloscia, Moeller, Morris, Nealey, Orcutt, Orwall, Parker, Pearson, Pettigrew, Probst, Rivers, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Fitzgibbon, Goodman, Hasegawa, Jinkins, Kirby, Liias, McCoy, Moscoso, Ormsby, Pedersen, Reykdal, Ryu, Sells and Tharinger.

Excused: Representatives Anderson, Crouse, Hargrove, McCune and Overstreet.

SUBSTITUTE SENATE BILL NO. 5181, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2020, by Representative Dunshee

Relating to funding capital projects. Revised for 1st Substitute: Funding capital projects.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2020 was substituted for House Bill No. 2020 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2020 was read the second time.

Representative Dunshee moved the adoption of amendment (856).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that:

(a) The capital budget includes appropriations for the construction and repair of public schools, colleges and universities, prisons and juvenile rehabilitation facilities, state office buildings, housing for low-income and disabled persons, farm workers and others, parks, public infrastructure, and for other capital facilities and programs;

(b) The size of the capital budget is determined by the available bond capacity under the constitutional debt limit and by moneys available from dedicated accounts, trust revenue, and other funding sources;

(c) Approximately half of the capital budget is financed with state-issued general obligation bonds, which pledge the full faith, credit and taxing power of the state toward payment of debt service; and

(d) The capital budget has limited purpose if there is no bond authorization bill to finance appropriations.

(2) The legislature therefore intends to increase the transparency and clarity of the uses and sources of the capital budget for the 2011 supplemental and 2011-2013 fiscal biennium by combining in one bill the authorization of state general obligation bonds with the appropriations that they support.

NEW SECTION. Sec. 2. (1) A capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2013, out of the several funds specified in this act.

(2) The appropriations in this act are appropriations for capital purposes from proceeds of general obligation and other bonds. Appropriations in this act may not necessarily represent all expenditures authorized for a particular project for the 2011-2013 fiscal biennium. For some projects receiving appropriations in this act, additional appropriations from other sources for those projects may also be contained in chapter . . . , Laws of 2011 (House Bill No. 1497).

(3) The definitions in this subsection apply throughout this act unless the context clearly requires otherwise.

(a) "Fiscal year 2012" or "FY 2012" means the period beginning July 1, 2011, and ending June 30, 2012.

(b) "Fiscal year 2013" or "FY 2013" means the period beginning July 1, 2012, and ending June 30, 2013.

(c) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(d) "Provided solely" means the specified amount may be spent only for the specified purpose.

(4) Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is

not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(5) The amounts shown under the headings "Prior Biennia," "Future Biennia," and "Total" in this act are for informational purposes only and do not constitute legislative approval of these amounts. "Prior biennia" typically refers to the immediate prior biennium for reappropriations, but may refer to multiple biennia in the case of specific projects. A "future biennia" amount is an estimate of what may be appropriated for the project or program in the 2011-2013 biennium and the following three biennia; an amount of zero does not necessarily constitute legislative intent to not provide funding for the project or program in the future.

(6) "Reappropriations" in this act are appropriations and, unless the context clearly provides otherwise, are subject to the relevant conditions and limitations applicable to appropriations. Reappropriations shall be limited to the unexpended balances remaining on June 30, 2011, from the 2009-2011 biennial appropriations for each project.

PART 1

GENERAL GOVERNMENT

NEW SECTION. Sec. 1001. FOR THE DEPARTMENT OF COMMERCE

Local and Community Projects (20064008)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1001, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State \$5,052,000

Prior Biennia (Expenditures) \$40,850,000

Future Biennia (Projected Costs) \$0

TOTAL \$45,902,000

NEW SECTION. Sec. 1002. FOR THE DEPARTMENT OF COMMERCE

Job and Economic Development Grants (20064950)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is subject to the provisions of section 1002, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State \$4,418,000

Prior Biennia (Expenditures) \$42,523,000

Future Biennia (Projected Costs) \$0

TOTAL \$46,941,000

NEW SECTION. Sec. 1003. FOR THE DEPARTMENT OF COMMERCE

Jobs in Communities (20064951)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 140, chapter 488, Laws of 2005.

Reappropriation:

State Building Construction Account--State \$1,949,000

Prior Biennia (Expenditures) \$10,301,000

Future Biennia (Projected Costs) \$0

TOTAL \$12,250,000

NEW SECTION. Sec. 1004. FOR THE DEPARTMENT OF COMMERCE

Public Works Trust Fund (20074005)

Reappropriation:

State Taxable Building Construction Account--State	\$26,742,000
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Prior Biennia (Expenditures) \$168,258,000

Future Biennia (Projected Costs) \$0

TOTAL \$195,000,000

NEW SECTION. Sec. 1005. FOR THE DEPARTMENT OF COMMERCE

Water System Acquisition and Rehabilitation Program (20074006)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1040, chapter 520, Laws of 2007.

Reappropriation:

State Building Construction Account--State	\$106,000
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Prior Biennia (Expenditures) \$3,550,000

Future Biennia (Projected Costs) \$0

TOTAL \$3,656,000

NEW SECTION. Sec. 1006. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, and Affordable Housing (20074009)

Reappropriation:

State Building Construction Account--State	\$2,000
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State Taxable Building Construction

Account--State	\$10,688,000
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Subtotal Reappropriation	\$10,690,000
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Prior Biennia (Expenditures) \$176,010,000

Future Biennia (Projected Costs) \$0

TOTAL \$186,700,000

NEW SECTION. Sec. 1007. FOR THE DEPARTMENT OF COMMERCE

Job Development Fund Grants (20074010)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1032, chapter 520, Laws of 2007 and section 1005, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State	\$7,999,000
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Prior Biennia (Expenditures) \$40,931,000

Future Biennia (Projected Costs) \$0

TOTAL \$48,930,000

NEW SECTION. Sec. 1008. FOR THE DEPARTMENT OF COMMERCE

Longview Regional Water Treatment Plant Dredging (20081001)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1016, chapter 328, Laws of 2008.

Reappropriation:

State Building Construction Account--State	\$41,000
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Prior Biennia (Expenditures) \$109,000

Future Biennia (Projected Costs) \$0

TOTAL \$150,000

NEW SECTION. Sec. 1009. FOR THE DEPARTMENT OF COMMERCE

Quincy Water Treatment System (20081002)

Reappropriation:
State Building Construction Account--State \$172,000

Prior Biennia (Expenditures) \$4,328,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,500,000

NEW SECTION. Sec. 1010. FOR THE DEPARTMENT OF COMMERCE

Innovation Partnership Zones (20082003)

Reappropriation:
State Building Construction Account--State \$1,437,000

Prior Biennia (Expenditures) \$3,563,000
Future Biennia (Projected Costs) \$0
TOTAL \$5,000,000

NEW SECTION. Sec. 1011. FOR THE DEPARTMENT OF COMMERCE

Local and Community Projects (20084001)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The projects must comply with RCW 43.63A.125 and other requirements for community projects administered by the department.

(2) The reappropriation is subject to the provisions of section 1008, chapter 328, Laws of 2008 and section 1003, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
State Building Construction Account--State \$18,387,000

Prior Biennia (Expenditures) \$106,757,000
Future Biennia (Projected Costs) \$0
TOTAL \$125,144,000

NEW SECTION. Sec. 1012. FOR THE DEPARTMENT OF COMMERCE

Community Development Fund (20084850)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1006, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
State Building Construction Account--State \$2,507,000

Prior Biennia (Expenditures) \$18,409,000
Future Biennia (Projected Costs) \$0
TOTAL \$20,916,000

NEW SECTION. Sec. 1013. FOR THE DEPARTMENT OF COMMERCE

Belfair Sewer Improvements (20084852)

Reappropriation:
State Building Construction Account--State \$10,294,000

Prior Biennia (Expenditures) \$6,000
Future Biennia (Projected Costs) \$0
TOTAL \$10,300,000

NEW SECTION. Sec. 1014. FOR THE DEPARTMENT OF COMMERCE

Community Schools Program (20084856)

Reappropriation:
State Building Construction Account--State \$1,116,000

Prior Biennia (Expenditures) \$3,469,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,585,000

NEW SECTION. Sec. 1015. FOR THE DEPARTMENT OF COMMERCE

2008 Local and Community Projects (20084861)

Reappropriation:
State Building Construction Account--State \$4,418,000

Prior Biennia (Expenditures) \$13,326,000
Future Biennia (Projected Costs) \$0
TOTAL \$17,744,000

NEW SECTION. Sec. 1016. FOR THE DEPARTMENT OF COMMERCE

Building for the Arts Grants (30000006)

The reappropriation in this section is subject to the provisions of section 1011, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
State Building Construction Account--State \$6,028,000

Prior Biennia (Expenditures) \$4,047,000
Future Biennia (Projected Costs) \$0
TOTAL \$10,075,000

NEW SECTION. Sec. 1017. FOR THE DEPARTMENT OF COMMERCE

Youth Recreational Facilities Grants (30000007)

Reappropriation:
State Building Construction Account--State \$2,774,000

Prior Biennia (Expenditures) \$3,776,000
Future Biennia (Projected Costs) \$0
TOTAL \$6,550,000

NEW SECTION. Sec. 1018. FOR THE DEPARTMENT OF COMMERCE

Building Communities Fund Grants (30000008)

Reappropriation:
State Building Construction Account--State \$5,203,000

Prior Biennia (Expenditures) \$21,917,000
Future Biennia (Projected Costs) \$0
TOTAL \$27,120,000

NEW SECTION. Sec. 1019. FOR THE DEPARTMENT OF COMMERCE

Innovation Partnership Zones (30000012)

Reappropriation:
State Building Construction Account--State \$1,250,000

Prior Biennia (Expenditures) \$250,000
Future Biennia (Projected Costs) \$0
TOTAL \$1,500,000

NEW SECTION. Sec. 1020. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, and Affordable Housing (30000013)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1012, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State	\$12,851,000
State Taxable Building Construction Account--State	\$40,700,000
Subtotal Reappropriation	\$53,551,000

Prior Biennia (Expenditures)	\$66,449,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$120,000,000

NEW SECTION. Sec. 1021. FOR THE DEPARTMENT OF COMMERCE

Local and Community Projects (30000019)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to section 1014, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State	\$7,825,000
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Prior Biennia (Expenditures)	\$12,320,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,145,000

NEW SECTION. Sec. 1022. FOR THE DEPARTMENT OF COMMERCE

2010 Local and Community Projects (30000082)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1015, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State	\$12,108,000
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Prior Biennia (Expenditures)	\$2,022,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$14,130,000

NEW SECTION. Sec. 1023. FOR THE DEPARTMENT OF COMMERCE

Community Schools (91000002)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1013, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State	\$3,280,000
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Prior Biennia (Expenditures)	\$3,220,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,500,000

NEW SECTION. Sec. 1024. FOR THE DEPARTMENT OF COMMERCE

Temporary Public Works Grant Program (92000021)

The reappropriation in this section is subject to the provisions of section 1050, chapter 497, Laws of 2009.

Reappropriation:

State Building Construction Account--State	\$17,106,000
State Taxable Building Construction Account--State	\$1,298,000

Subtotal Reappropriation	\$18,404,000
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Prior Biennia (Expenditures)	\$23,936,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$42,340,000

NEW SECTION. Sec. 1025. FOR THE DEPARTMENT OF COMMERCE

Jobs Act for K-12 Public Schools & Higher Education Institutions (91000085)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1016, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State	\$44,630,000
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Prior Biennia (Expenditures)	\$179,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$44,809,000

NEW SECTION. Sec. 1026. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, Affordable Housing Trust Fund (30000098)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,000,000 of the appropriation is provided solely to construct or rehabilitate facilities to house homeless veterans. The department must consult with the department of veterans affairs and must use these funds as matching resources for funds available from the federal veterans administration and the department of housing and urban development.

(2) \$3,000,000 of the appropriation is provided solely to promote development of safe and affordable housing units for persons eligible for services from the division of developmental disabilities within the department of social and health services.

(3) \$6,000,000 of the appropriation is provided solely for weatherization administered through the energy matchmakers program.

(4) \$3,000,000 of the appropriation is provided solely for facilities to house low-income migrant, seasonal, or temporary farmworkers. The department shall work with the farmworker housing advisory committee to prioritize funding of projects to the areas of highest need.

(5) \$3,000,000 of the appropriation is provided solely to build low-income housing units in underserved communities and to concurrently develop capacity in these same communities. Underserved communities of concern are those that have high levels of poverty, specifically, thirty percent of the local median income; experience chronic homelessness; and lack affordable housing. Underserved communities include veterans, immigrants, refugees, and those communities of color disproportionately impacted by chronic homelessness and lack of affordable housing. The department must collaborate with representatives of underserved communities and organizations committed to assistance in these efforts to prioritize and plan distribution of funding.

(6) For counties with populations exceeding one million five hundred thousand during the 2011-2013 fiscal biennium, allocation of funds provided in this section shall account for local policies related to affordable housing as required by chapter 36.70A RCW.

Appropriation:

State Taxable Building Construction Account--State	\$50,000,000
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Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$163,200,000
 TOTAL \$213,200,000

NEW SECTION. Sec. 1027. FOR THE DEPARTMENT OF COMMERCE

Building Communities Fund Grants (30000102)

The appropriation in this section is subject to the following conditions and limitations:

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the projects or a distinct phase of the project that is useable to the public for this purpose intended by the legislature.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Project	Authorized Amount
Serenity House of Clallam County	\$52,000
Boys & Girls Clubs of King County	\$316,000
YMCA of Pierce and Kitsap Counties	\$1,250,000
Jewish Family Service	\$2,313,000
Low Income Housing Institute	\$313,000
The Salvation Army	\$56,000
Share	\$581,000
Navos	\$2,500,000
Kitsap Community Resources	\$600,000
Transitions	\$109,000
Boys & Girls Clubs of the Columbia Basin	\$648,000
Village Green Foundation	\$1,029,000
Community Action Council of LMT	\$95,000
United Way of Kitsap County	\$605,000

ARC of Spokane \$862,000
 Dynamic Family Services \$575,000
 University District Food Bank \$573,000
 Total \$12,327,000

Appropriation:

State Building Construction Account--
 State \$12,327,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$56,000,000
 TOTAL \$68,327,000

NEW SECTION. Sec. 1028. FOR THE DEPARTMENT OF COMMERCE

Local and Community Projects (30000166)

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation in this section for the Roslyn Renaissance project is subject to the following conditions and limitations: It is the intent of this appropriation to undertake a feasibility study of structural and program integrity of historic buildings including (a) the northwest improvement company store, (b) the Sylvia's house, and (c) vacant commercial lots within the city of Roslyn. The study will analyze the adaptability of relocating the city offices to the renovated city hall building. The Roslyn downtown association shall submit the completed study to the department by July 1, 2012, including a detailed cost estimate for the property acquisition and redevelopment, and a capital fundraising plan to support the acquisitions through multiple funding sources.

(8) The appropriation is provided solely for the following list of projects:

Project Authorized Amount

Adna Athletic and Fitness Facility	\$80,000	Total	\$16,817,000
American Lake Veterans' Golf Course	\$250,000		
Anacortes Depot	\$380,000	Appropriation:	
		State Building Construction Account--State	\$16,817,000
Bothell North Creek Forest Land Acquisition	\$200,000		
Boys and Girls Federal Way	\$50,000	Prior Biennia (Expenditures)\$0	
		Future Biennia (Projected Costs)	\$0
		TOTAL	\$16,817,000
Bucoda Odd Fellows Community Center	\$150,000	NEW SECTION. Sec. 1029. FOR THE DEPARTMENT OF COMMERCE	
Central WA State Fair Association	\$35,000	Youth Recreational Facilities Grants (30000100)	
City of Kirkland Athletic Fields	\$150,000		
Colville Tribal Museum	\$250,000	The appropriation in this section is subject to the following conditions and limitations:	
Daybreak Youth Services Pre-Construction Activities	\$100,000	(1) The appropriation is subject to the provisions of RCW 43.63A.135.	
Dekalb Pier Project	\$700,000	(2) The appropriation is provided solely for the following list of projects:	
Gig Harbor Maritime Pier	\$390,000	Project	Authorized Amount
Grays Harbor Historical Seaport	\$169,000	Little Bit Therapeutic Riding Center	\$560,000
Lady Washington Rehabilitation			
Legion Park Visitors Center and Trailhead Project	\$110,000	Boys & Girls Clubs of King County - Mercer Island PEAK	\$800,000
Match FEMA funds for Sprague Response Center	\$300,000	Boys & Girls Clubs of Thurston County	\$163,000
North Mason Senior Center	\$1,360,000	YMCA of Pierce and Kitsap Counties	\$800,000
Port of Bremerton	\$1,100,000	YMCA of Greater Seattle	\$800,000
Puyallup Transit Oriented Development	\$1,500,000	Boys & Girls Clubs of King County - Ballard Boys & Girls Club Addition	\$475,000
Redmond Central Connector	\$850,000	Boys & Girls Clubs of the Columbia Basin	\$629,000
Roslyn Renaissance	\$300,000	Boys & Girls Clubs of Whatcom County	\$26,000
Seattle Children's Hospital Emergency Department	\$1,000,000	Total	\$4,253,000
Skagit Valley Hospital	\$750,000		
South Tacoma Community Center Playground	\$380,000	Appropriation:	
Spokane Food Bank Distribution Center Capacity and Renovation	\$1,250,000	State Building Construction Account--State	\$4,253,000
Spokane Valley Partners Boiler Replacement	\$100,000	Prior Biennia (Expenditures)\$0	
Sultan Boys and Girls Club	\$500,000	Future Biennia (Projected Costs)	\$24,000,000
		TOTAL	\$28,253,000
Tacoma Hilltop Health Center	\$1,500,000	NEW SECTION. Sec. 1030. FOR THE DEPARTMENT OF COMMERCE	
		Building for the Arts Grants (30000101)	
The Arc of Tri-Cities Facility	\$350,000		
Traumatic Brain Injury Center	\$900,000	The appropriation in this section is subject to the following conditions and limitations:	
Vancouver Waterfront Park Pre-Construction Activities	\$500,000	(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the projects or a distinct phase of the project that is useable to the public for this purpose intended by the legislature.	
Veteran's Memorial	\$210,000	(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations	
West Hill Skyway Redevelopment	\$750,000		
YWCA Yakima	\$203,000		

whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Project	Authorized Amount
Bainbridge Art Museum	\$518,000
Community Theatre, Inc.	\$91,000
Coyote Central	\$243,000
Harrington Opera House	\$66,000
Olympia Little Theatre	\$44,000
Seattle Musical Theatre	\$163,000
SIFF	\$491,000
Studio East Training for the Performing Arts/Studio	\$100,000
Taproot Theatre Company	\$570,000
Town Hall Association dba Town Hall Seattle	\$70,000
Velocity Dance Center	\$106,000
Total	\$2,462,000

Appropriation:

State Building Construction Account--State \$2,462,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$29,506,000

TOTAL \$31,968,000

NEW SECTION. Sec. 1031. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Oversight of State Facilities (91000002)

Appropriation:

State Building Construction Account--State \$1,400,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$6,600,000

TOTAL \$8,000,000

NEW SECTION. Sec. 1032. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Cowlitz River Dredging (20082856)

Reappropriation:

State Building Construction Account--State \$856,000

Prior Biennia (Expenditures) \$644,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,500,000

NEW SECTION. Sec. 1033. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Catastrophic Flood Relief (20084850)

(1) The appropriations in this section are subject to the following conditions and limitations:

(a) \$1,320,000 of the appropriations are provided solely for the Chehalis basin flood control authority or other local flood districts (i) to study, develop, construct, maintain, operate, and fund flood control measures throughout the basin, (ii) to complete by December 2011 the ongoing study of the effect of possible retention structures on fish in the basin, and (iii) to complete the hydraulic model for the Chehalis river to calculate flood levels, flood damages, and benefits of proposed flood mitigation projects for the lower portions of the river; and

(b) \$1,200,000 of the appropriations are provided solely for nonfederal matching funds and state agency costs associated with the United States army corps of engineers flood hazard mitigation projects for the Chehalis river basin.

(2) By July 2012, the office of financial management, in collaboration with the department of transportation and the department of ecology, and affected and interested federal agencies, tribal governments and local governments, must provide a report to the governor and legislature that identifies recommended priority flood hazard mitigation projects in the Chehalis river basin for continued feasibility and design work. The report must:

(a) Address the potential for flood mitigation through upstream water retention facilities, including benefits and impacts to fish and potential mitigation of impacts;

(b) Describe the current alignment and design of the federal flood levees proposed at Centralia and Chehalis, including extent of protection provided to these communities, and any upstream or downstream effects of the levees;

(c) Evaluate alternative projects that could protect the interstate highway and the municipal airport at Centralia and Chehalis, and ensure access to medical and other critical community facilities during flood events;

(d) Discuss other alternatives that could provide flood relief and protection in the basin, such as replacement of highway bridges that constrain flood waters, flood easements on agricultural lands, livestock evacuation facilities and routes, small-scale water diversion and retention, use of riparian habitat and environmental restoration projects to mitigate damages from flood waters, and other projects or programs;

(e) Summarize the benefits and costs of recommended projects, using available information and accepted benefit/cost methods; and

(f) Identify the responsible parties and procedures for making final decisions on funding, construction and governance of recommended flood projects, any related and necessary government agreements, and a schedule for these decisions.

(3) It is the intent of the legislature to fulfill the commitment of section 101, chapter 179, Laws of 2008 and chapter 180, Laws of 2008, by appropriating funds when the federal match requirement is needed.

Reappropriation:

State Building Construction Account--State \$2,980,000

Appropriation:

State Building Construction Account--State \$895,000

Prior Biennia (Expenditures) \$5,610,000
 Future Biennia (Projected Costs) \$40,515,000
 TOTAL \$50,000,000

NEW SECTION. Sec. 1034. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Graving Dock Settlement (20084001)

Appropriation:

State Building Construction Account--State \$140,000

Prior Biennia (Expenditures) \$15,760,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,900,000

NEW SECTION. Sec. 1035. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Emergency Repairs (30000027)

The appropriations in this section are subject to the following conditions and limitations: Emergency funds shall not be allotted until an emergency declaration signed by the affected agency director, a scope of work, and cost estimate are approved by the office of financial management. Emergency funds may only be used for unexpected building or grounds failures that will impact public health and safety, or the day-to-day operations of the facility. The office of financial management shall report to the house capital budget committee and senate ways and means committee annually on the approved emergency projects.

Appropriation:

State Building Construction Account--State \$8,183,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$8,183,000

NEW SECTION. Sec. 1036. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Bid Savings Contingency Pool (92000002)

Appropriation:

State Building Construction Account--State \$6,500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,500,000

NEW SECTION. Sec. 1037. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

O'Brien Building Improvements (20081007)

The reappropriation in this section is subject to the following conditions and limitations: Upon completion of the project, temporary modular buildings shall be removed, and the parking lot shall be restored and landscaped within budget.

Reappropriation:

State Building Construction Account--State \$8,257,000

Prior Biennia (Expenditures) \$2,944,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$11,201,000

NEW SECTION. Sec. 1038. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Capitol Campus High Voltage System Improvements (20081010)

Reappropriation:

State Building Construction Account--State \$111,000

Prior Biennia (Expenditures) \$2,093,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,204,000

NEW SECTION. Sec. 1039. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building Improvements (20081011)

Reappropriation:

State Building Construction Account--State \$92,000

Prior Biennia (Expenditures) \$1,659,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,751,000

NEW SECTION. Sec. 1040. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Minor Works Preservation (30000012)

Reappropriation:

State Building Construction Account--State \$868,000

Prior Biennia (Expenditures) \$2,532,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,400,000

NEW SECTION. Sec. 1041. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Emergency Repairs (30000033)

Reappropriation:

State Building Construction Account--State \$400,000

Prior Biennia (Expenditures) \$2,100,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,500,000

NEW SECTION. Sec. 1042. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Powerhouse: Improvements and Preservation (30000056)

Reappropriation:

State Building Construction Account--State \$815,000

Prior Biennia (Expenditures) \$425,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,240,000

NEW SECTION. Sec. 1043. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Facility Oversight Program: Staffing (91000003)

Appropriation:

State Building Construction Account--State \$520,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$520,000

NEW SECTION. Sec. 1044. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Transportation Building Preservation (20021008)

Reappropriation:

State Building Construction Account--State \$924,000

Prior Biennia (Expenditures) \$8,692,000
 Future Biennia (Projected Costs) \$12,000,000
 TOTAL \$21,616,000

NEW SECTION. Sec. 1045. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Minor Works Preservation (30000550)

Appropriation:
 State Building Construction Account--State \$2,334,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$14,420,000
 TOTAL \$16,754,000

NEW SECTION. Sec. 1046. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
 Engineering and Architectural Services: Staffing (91000005)

Appropriation:
 State Building Construction Account--State \$5,282,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$34,250,000
 TOTAL \$39,532,000

NEW SECTION. Sec. 1047. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
 Natural Resource Building Roof Replacement and Exterior Foam Insulation System Repairs (30000546)

Appropriation:
 State Building Construction Account--State \$4,482,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,482,000

NEW SECTION. Sec. 1048. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
 Legislative Building Critical Exterior Repairs (30000577)

Appropriation:
 State Building Construction Account--State \$956,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$3,270,000
 TOTAL \$4,226,000

NEW SECTION. Sec. 1049. FOR THE MILITARY DEPARTMENT
 Minor Works Preservation (30000002)

Reappropriation:
 State Building Construction Account--State \$346,000

Prior Biennia (Expenditures)\$1,363,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,709,000

NEW SECTION. Sec. 1050. FOR THE MILITARY DEPARTMENT
 Minor Works Preservation (30000560)

Appropriation:
 State Building Construction Account--State \$1,198,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$7,384,000
 TOTAL \$8,582,000

NEW SECTION. Sec. 1051. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION
 Historic Barn Preservation (20084851)

Reappropriation:
 State Building Construction Account--State \$297,000

Prior Biennia (Expenditures)\$503,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$800,000

NEW SECTION. Sec. 1052. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION
 Courthouse Preservation (30000004)

Reappropriation:
 State Building Construction Account--State \$1,963,000

Prior Biennia (Expenditures)\$37,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 1053. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION
 Heritage Barn Preservation Program (30000005)

Appropriation:
 State Building Construction Account--State \$200,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$200,000

NEW SECTION. Sec. 1054. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION
 Courthouse Preservation (30000006)

Appropriation:
 State Building Construction Account--State \$750,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$750,000
 (End of part)

**PART 2
 HUMAN SERVICES**

NEW SECTION. Sec. 2001. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION
 Fire Alarm Replacement (30000004)

Appropriation:
 State Building Construction Account--State \$200,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$200,000

NEW SECTION. Sec. 2002. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES
 Special Commitment Center: Utility Replacements (20081504)

Reappropriation:
 State Building Construction Account--State \$4,193,000

Prior Biennia (Expenditures)\$1,813,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,006,000

NEW SECTION. Sec. 2003. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES
 Minor Works Preservation: Health, Safety, and Code Requirements (30000366)

Reappropriation:
 State Building Construction Account--State \$2,201,000

Prior Biennia (Expenditures) \$449,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,650,000

NEW SECTION. Sec. 2004. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation: Infrastructure Preservation (30000367)

Reappropriation:

State Building Construction Account--State \$1,195,000

Prior Biennia (Expenditures) \$1,125,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,320,000

NEW SECTION. Sec. 2005. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation: Facilities Preservation (30000368)

Reappropriation:

State Building Construction Account--State \$3,951,000

Prior Biennia (Expenditures) \$1,639,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,590,000

NEW SECTION. Sec. 2006. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Echo Glen Children's Center: Portable Classroom Replacement (30000844)

Reappropriation:

State Building Construction Account--State \$751,000

Prior Biennia (Expenditures) \$99,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$850,000

NEW SECTION. Sec. 2007. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital: Westlake Building Renovation (30000852)

Appropriation:

State Building Construction Account--State \$1,035,000

Prior Biennia (Expenditures) \$840,000
 Future Biennia (Projected Costs) \$1,100,000
 TOTAL \$2,975,000

NEW SECTION. Sec. 2008. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Capacity to Replace Maple Lane School (92000005)

Reappropriation:

State Building Construction Account--State \$1,635,000

Prior Biennia (Expenditures) \$462,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,097,000

NEW SECTION. Sec. 2009. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation: Health, Safety, and Code Requirements (30001264)

Appropriation:

State Building Construction Account--State \$3,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$14,000,000
 TOTAL \$17,500,000

NEW SECTION. Sec. 2010. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation: Infrastructure Preservation (30001290)

Appropriation:

State Building Construction Account--State \$4,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$20,000,000
 TOTAL \$24,000,000

NEW SECTION. Sec. 2011. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation: Facilities Preservation (30001291)

Appropriation:

State Building Construction Account--State \$4,861,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$40,000,000
 TOTAL \$44,861,000

NEW SECTION. Sec. 2012. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Hazards Abatement and Demolition (30002221)

Appropriation:

State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$2,000,000
 TOTAL \$3,000,000

NEW SECTION. Sec. 2013. FOR THE DEPARTMENT OF HEALTH

Public Health Laboratory: Addition (20082003)

Reappropriation:

State Building Construction Account--State \$5,561,000

Prior Biennia (Expenditures) \$4,616,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$10,177,000

NEW SECTION. Sec. 2014. FOR THE DEPARTMENT OF HEALTH

Public Health Laboratory: HVAC Systems Upgrades (20081002)

Reappropriation:

State Building Construction Account--State \$4,439,000

Prior Biennia (Expenditures) \$473,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,912,000

NEW SECTION. Sec. 2015. FOR THE DEPARTMENT OF HEALTH

Minor Works Preservation: Facility Preservation (30000027)

Appropriation:

State Building Construction Account--State \$380,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$1,200,000
 TOTAL \$1,580,000

NEW SECTION. Sec. 2016. FOR THE DEPARTMENT OF HEALTH

Drinking Water Grants: Tulalip Water Supply and Hanson Harbor (92000001)

The appropriation in this section is subject to the following conditions and limitations: \$699,000 of the appropriation is provided solely for the Hanson Harbor water supply project. \$2,500,000 of the appropriation is provided solely for the Tulalip water supply pipeline.

Appropriation:

State Building Construction Account--State \$3,199,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$0

TOTAL \$3,199,000

NEW SECTION. Sec. 2017. FOR THE DEPARTMENT OF VETERANS AFFAIRS

Walla Walla Nursing Facility (20082008)

Appropriation:

State Building Construction Account--State \$2,400,000

Prior Biennia (Expenditures)\$125,000

Future Biennia (Projected Costs) \$29,141,000

TOTAL \$31,666,000

NEW SECTION. Sec. 2018. FOR THE DEPARTMENT OF CORRECTIONS

Clallam Bay Corrections Center: Install Close Custody Slider Doors (20062070)

Reappropriation:

State Building Construction Account--State \$881,000

Prior Biennia (Expenditures)\$2,029,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,910,000

NEW SECTION. Sec. 2019. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Correctional Complex: Close Sewer Lagoon (20082022)

Reappropriation:

State Building Construction Account--State \$798,000

Prior Biennia (Expenditures)\$593,000

Future Biennia (Projected Costs) \$8,024,000

TOTAL \$9,415,000

NEW SECTION. Sec. 2020. FOR THE DEPARTMENT OF CORRECTIONS

Statewide Minor Works: Infrastructure Preservation (30000016)

Reappropriation:

State Building Construction Account--State \$456,000

Prior Biennia (Expenditures)\$990,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,446,000

NEW SECTION. Sec. 2021. FOR THE DEPARTMENT OF CORRECTIONS

Statewide Minor Works: Health, Safety, and Code Requirements (30000047)

Reappropriation:

State Building Construction Account--State \$1,721,000

Prior Biennia (Expenditures)\$888,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,609,000

NEW SECTION. Sec. 2022. FOR THE DEPARTMENT OF CORRECTIONS

Statewide Minor Works: Facility Preservation (30000086)

Reappropriation:

State Building Construction Account--State \$1,902,000

Prior Biennia (Expenditures)\$955,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,857,000

NEW SECTION. Sec. 2023. FOR THE DEPARTMENT OF CORRECTIONS

Clallam Bay Corrections Center: Replace 5 Towers and Housing Roofs (30000108)

The appropriations in this section are subject to the following conditions and limitations: The funding is provided solely for the replacement of roofs on offender housing units.

Reappropriation:

State Building Construction Account--State \$1,102,000

Prior Biennia (Expenditures)\$1,448,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,550,000

NEW SECTION. Sec. 2024. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Replace Fire Detection/Suppression (30000123)

Reappropriation:

State Building Construction Account--State \$500,000

Prior Biennia (Expenditures)\$398,000

Future Biennia (Projected Costs) \$0

TOTAL \$898,000

NEW SECTION. Sec. 2025. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Correctional Complex: Water Line Replacements (30000137)

Reappropriation:

State Building Construction Account--State \$1,338,000

Prior Biennia (Expenditures)\$200,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,538,000

NEW SECTION. Sec. 2026. FOR THE DEPARTMENT OF CORRECTIONS

Statewide Minor Works: Programmatic Projects (30000173)

Reappropriation:

State Building Construction Account--State \$2,559,000

Prior Biennia (Expenditures)\$1,175,000

Future Biennia (Projected Costs) \$0

TOTAL \$3,734,000

NEW SECTION. Sec. 2027. FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: Housing Units, Kitchen and Site Work (30000482)

Reappropriation:

State Building Construction Account--State \$5,810,000

Public Safety Reimbursable Bond Account--State\$546,000

Subtotal Reappropriation \$6,356,000

Appropriation:
 State Building Construction Account--State \$42,453,000
 Prior Biennia (Expenditures) \$463,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$49,272,000

NEW SECTION. Sec. 2028. FOR THE DEPARTMENT OF CORRECTIONS

Westside Corrections Complex: Siting and Predesign (92000032)

Reappropriation:
 State Building Construction Account--State \$2,327,000

Prior Biennia (Expenditures) \$273,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,600,000

NEW SECTION. Sec. 2029. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Regional Infrastructure (20042008)

Reappropriation:
 State Building Construction Account--State \$655,000

Prior Biennia (Expenditures) \$14,974,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,629,000

NEW SECTION. Sec. 2030. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Correctional Complex: Special Offender Unit Core Building and Wings Roofing (30000528)

Appropriation:
 State Building Construction Account--State \$2,822,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,822,000

NEW SECTION. Sec. 2031. FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Minor Works Preservation: Infrastructure Preservation (30000539)

Appropriation:
 State Building Construction Account--State \$2,500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$9,827,000
 TOTAL \$12,327,000

NEW SECTION. Sec. 2032. FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Minor Works Preservation: Facility Preservation (30000540)

Appropriation:
 State Building Construction Account--State \$2,500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$72,978,000
 TOTAL \$75,478,000

NEW SECTION. Sec. 2033. FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Minor Works Preservation: Health, Safety, and Code Requirements (30000541)

Appropriation:
 State Building Construction Account--State \$2,600,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$10,490,000
 TOTAL \$13,090,000

NEW SECTION. Sec. 2034. FOR THE DEPARTMENT OF CORRECTIONS

New Prison Reception Center (30000570)

Appropriation:
 State Building Construction Account--State \$6,200,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$246,181,000
 TOTAL \$252,381,000
 (End of part)

PART 3

NATURAL RESOURCES

NEW SECTION. Sec. 3001. FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (19742006)

Reappropriation:
 State and Local Improvements Revolving Account (Water Supply Facilities)--State \$1,792,000

Prior Biennia (Expenditures) \$18,406,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$20,198,000

NEW SECTION. Sec. 3002. FOR THE DEPARTMENT OF ECOLOGY

Twin Lake Aquifer Recharge Project (20042951)

Reappropriation:
 State Building Construction Account--State \$343,000

Prior Biennia (Expenditures) \$407,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$750,000

NEW SECTION. Sec. 3003. FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (20044006)

Reappropriation:
 State Building Construction Account--State \$329,000
 State and Local Improvements Revolving Account (Water Supply Facilities)--State \$87,000
 Subtotal Reappropriation \$416,000

Prior Biennia (Expenditures) \$13,102,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$13,518,000

NEW SECTION. Sec. 3004. FOR THE DEPARTMENT OF ECOLOGY

Water Conveyance Infrastructure Projects (20052850)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 322, chapter 488, Laws of 2005.

Reappropriation:

State Building Construction Account--State \$1,569,000

Prior Biennia (Expenditures) \$4,212,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,781,000

NEW SECTION. Sec. 3005. FOR THE DEPARTMENT OF ECOLOGY

Sunnyside Valley Irrigation District Water Conservation (20052851)

Reappropriation:

State Building Construction Account--State \$1,968,000

Prior Biennia (Expenditures) \$12,229,000
 Future Biennia (Projected Costs) \$4,900,000
 TOTAL \$19,097,000

NEW SECTION. Sec. 3006. FOR THE DEPARTMENT OF ECOLOGY

Quad Cities Water Right Mitigation (20052852)

Reappropriation:

State Building Construction Account--State \$1,325,000

Prior Biennia (Expenditures) \$275,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,600,000

NEW SECTION. Sec. 3007. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (20062003)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 136, chapter 371, Laws of 2006.

Reappropriation:

State Building Construction Account--State \$1,196,000

Prior Biennia (Expenditures) \$11,604,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$12,800,000

NEW SECTION. Sec. 3008. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Basin Water Supply Development Program (20062950)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$1,000,000 of the appropriation is provided solely to the Columbia basin ground water management area for the following projects:

(a) \$600,000 of the appropriation is provided solely to construct localized hydrologic models for municipal supply sources and aquifer storage and recovery potential; and

(b) \$400,000 of the appropriation is provided solely to develop and implement methods to identify sustainable wells near the East Low Canal.

(2) \$6,000,000 of the appropriation is provided solely for the Sunnyside Valley Irrigation District Water Conservation program.

(3) The department must reexamine its method of accounting for in-stream and out-of-stream benefits and develop a means of accounting for the indirect but substantial and tangible out-of-stream benefits that accrue from conservation, pump exchanges, and other

projects. The department must report the results of this reexamination to the legislature by September 15, 2011.

Reappropriation:

Columbia River Basin Water Supply Development
 Account--State \$23,987,000

Appropriation:

Columbia River Basin Water Supply Development
 Account--State \$47,000,000

Prior Biennia (Expenditures) \$20,513,000
 Future Biennia (Projected Costs) \$128,700,000
 TOTAL \$220,200,000

NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (20064007)

Reappropriation:

State Building Construction Account--State \$2,263,000

Prior Biennia (Expenditures) \$22,287,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$24,550,000

NEW SECTION. Sec. 3010. FOR THE DEPARTMENT OF ECOLOGY

Local Toxics Grants for Cleanup and Prevention (20064008)

Reappropriation:

State Building Construction Account--State \$15,029,000

Prior Biennia (Expenditures) \$83,871,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$98,900,000

NEW SECTION. Sec. 3011. FOR THE DEPARTMENT OF ECOLOGY

Transfer of Water Rights for Cabin Owners (20081951)

Reappropriation:

State Building Construction Account--State \$350,000

Prior Biennia (Expenditures) \$100,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$450,000

NEW SECTION. Sec. 3012. FOR THE DEPARTMENT OF ECOLOGY

Puget Sound Storm water Projects (20082002)

Reappropriation:

State Building Construction Account--State \$8,949,000

Prior Biennia (Expenditures) \$8,971,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$17,920,000

NEW SECTION. Sec. 3013. FOR THE DEPARTMENT OF ECOLOGY

Storm water Projects (20082003)

Reappropriation:

State Building Construction Account--State \$467,000

Prior Biennia (Expenditures) \$2,533,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,000,000

NEW SECTION. Sec. 3014. FOR THE DEPARTMENT OF ECOLOGY

Reclaimed Water (20084002)

Reappropriation:
 State Building Construction Account--State \$2,960,000

Prior Biennia (Expenditures) \$2,495,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,455,000

NEW SECTION. Sec. 3015. FOR THE DEPARTMENT OF ECOLOGY
 Remedial Action Grants (20084008)

Reappropriation:
 State Building Construction Account--State \$20,251,000

Prior Biennia (Expenditures) \$72,624,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$92,875,000

NEW SECTION. Sec. 3016. FOR THE DEPARTMENT OF ECOLOGY
 Centennial Clean Water Program (20084010)

Reappropriation:
 State Building Construction Account--State \$6,468,000

Prior Biennia (Expenditures) \$51,559,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$58,027,000

NEW SECTION. Sec. 3017. FOR THE DEPARTMENT OF ECOLOGY
 Yakima River Basin Water Storage Feasibility Study (20084026)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for completion of the United States bureau of reclamation's Yakima basin storage feasibility study, including the associated joint national environmental policy act, the state environmental policy act, and environmental impact statement. The reappropriated funds are to be used by the bureau of reclamation and the department of ecology to evaluate potential in basin storage facilities such as the proposed Bumping Lake and Wymer reservoirs and other reasonable alternatives that will enhance water supplies and streamflows in the Yakima basin.

Reappropriation:
 State Building Construction Account--State \$100,000

Prior Biennia (Expenditures) \$5,150,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,250,000

NEW SECTION. Sec. 3018. FOR THE DEPARTMENT OF ECOLOGY
 Watershed Plan Implementation and Flow Achievement (20084029)

Reappropriation:
 State Building Construction Account--State \$5,789,000

Prior Biennia (Expenditures) \$8,211,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$14,000,000

NEW SECTION. Sec. 3019. FOR THE DEPARTMENT OF ECOLOGY
 Centennial Clean Water Program (30000008)

Reappropriation:
 State Building Construction Account--State \$16,545,000

Prior Biennia (Expenditures) \$13,455,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$30,000,000

NEW SECTION. Sec. 3020. FOR THE DEPARTMENT OF ECOLOGY
 Upper Columbia River Black Sand Beach Cleanup (30000016)

Reappropriation:
 State Building Construction Account--State \$365,000

Prior Biennia (Expenditures) \$135,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$500,000

NEW SECTION. Sec. 3021. FOR THE DEPARTMENT OF ECOLOGY
 Skykomish Cleanup and Restoration (30000020)

Reappropriation:
 State Building Construction Account--State \$1,416,000

Prior Biennia (Expenditures) \$884,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,300,000

NEW SECTION. Sec. 3022. FOR THE DEPARTMENT OF ECOLOGY
 Watershed Plan Implementation and Flow Achievement (30000028)

Reappropriation:
 State Building Construction Account--State \$4,973,000

Prior Biennia (Expenditures) \$1,027,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,000,000

NEW SECTION. Sec. 3023. FOR THE DEPARTMENT OF ECOLOGY
 Kittitas Groundwater Study (30000029)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Funds may be provided to develop and implement water banking and transfer methods and agreements that are fully protective of senior water rights and that protect domestic groundwater users and improve the profitability of farming operations. The legislature finds such activities to be in the public interest because they can help sustain the viability of the agricultural economy and enhance the certainty of water supplies for domestic groundwater users.

(2) Funds may be provided to lease or purchase water rights to create a reserve water supply for domestic groundwater users that have a groundwater right with a priority date later than May 10, 1905, as well as for all out-of-priority groundwater users. In securing water for such domestic groundwater users, strong preference shall be given to the use of water banking and transfer methods that provide alternatives to permanent purchase and dry-up of agricultural water rights in the basin, including dry-year options, water banking, long-term water supply lease agreements, long-term agricultural land fallowing agreements, and reduced consumptive use through efficiency or alternative cropping arrangements while maintaining historic return flows.

(3) A portion of the reappropriation may be used for administrative costs, not to exceed four percent, and other costs associated with leasing or acquiring and transferring the water rights. All costs shall be fully recovered from participating domestic water users for their prorated portion of the cost, including but not limited to the costs of securing a water right or rights for this purpose, costs

associated with the development and implementation of alternative agricultural water transfer methods, associated annual operational costs, and federal water service contract costs owed to the United States bureau of reclamation. Funds recovered in this manner shall be deposited in the state and local improvement revolving fund and may be used for any purpose provided in this section.

Reappropriation:

State and Local Improvements Revolving Account
(Water Supply Facilities)--State \$700,000

Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$0
TOTAL \$700,000

NEW SECTION. Sec. 3024. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program (30000039)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3006, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State \$10,823,000

Prior Biennia (Expenditures)\$26,877,000
Future Biennia (Projected Costs) \$0
TOTAL \$37,700,000

NEW SECTION. Sec. 3025. FOR THE DEPARTMENT OF ECOLOGY

Storm Water Retrofit and Low-Impact Development Grant Program (30000097)

The reappropriations in this section are subject to the following terms and conditions: The reappropriation is subject to the provisions of section 3005, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State \$29,879,000

Prior Biennia (Expenditures)\$455,000
Future Biennia (Projected Costs) \$0
TOTAL \$30,334,000

NEW SECTION. Sec. 3026. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxic Sites - Puget Sound (30000144)

The reappropriation in this section is subject to the following conditions and limitations: Up to \$17,500,000 of the cleanup settlement account--state appropriation may be used for cleanup activities associated with the Asarco contamination in Everett.

Reappropriation:

State Building Construction Account--State \$511,000

Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$0
TOTAL \$511,000

NEW SECTION. Sec. 3027. FOR THE DEPARTMENT OF ECOLOGY

Habitat Mitigation (91000007)

Reappropriation:

State Building Construction Account--State \$2,900,000

Prior Biennia (Expenditures)\$1,500,000

Future Biennia (Projected Costs) \$0
TOTAL \$4,400,000

NEW SECTION. Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY

Protect Communities from Flood and Drought (92000002)

Reappropriation:

State Building Construction Account--State \$6,475,000

Prior Biennia (Expenditures)\$8,500,000
Future Biennia (Projected Costs) \$0
TOTAL \$14,975,000

NEW SECTION. Sec. 3029. FOR THE DEPARTMENT OF ECOLOGY

Wastewater Treatment and Water Reclamation (92000041)

The reappropriation is subject to the provisions of section 3016, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State \$2,980,000

Prior Biennia (Expenditures)\$450,000
Future Biennia (Projected Costs) \$0
TOTAL \$3,430,000

NEW SECTION. Sec. 3030. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000213)

The appropriation in this section is provided solely for grants for projects that improve water supplies and help achieve instream flows by implementing watershed plans, as follows:

(1) Surface or groundwater storage feasibility projects, where such projects are consistent with the recommendations of the water storage task force report to the legislature, February 2001 (Ecology Publication # 01 11 2002). The department shall consult the department of fish and wildlife before issuing water storage grants.

(2) Infrastructure or water management projects that resolve conflicts among water needs for municipal, agricultural, rural, and fish restoration purposes. The stream flow improvements and other public benefits secured from these projects must be commensurate with the investment of state funds.

(3) Purchase and installation of water measuring devices in salmon critical basins and areas participating in the department of fish and wildlife fish screening and cooperative compliance program, and basins where watershed plans call for additional water use or stream flow measurement.

(4) Acquisition of water to achieve instream flows or to establish water banks, water exchanges or similar tools. The department of ecology shall give priority to water acquisitions in salmon critical basins and in basins with adopted watershed plans (chapter 90.82 RCW). The department shall place acquired water into the state's trust water rights program (chapters 90.38 and 90.42 RCW). \$2,000,000 of the appropriation is provided solely for acquisition of water rights that will be placed into the state's trust water rights program specifically and only for instream flow purposes and not for water banks, water exchanges and similar tools that are for mitigation of existing or future water supply needs and other beneficial uses other than instream flows.

Appropriation:

State Building Construction Account--State \$8,000,000

Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$0

TOTAL \$8,000,000
NEW SECTION. Sec. 3031. FOR THE DEPARTMENT OF
ECOLOGY
 Hood Canal Regional Septic Repair Loan Program (30000215)

Appropriation:
 State Building Construction Account--State \$750,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$750,000

NEW SECTION. Sec. 3032. FOR THE DEPARTMENT OF
ECOLOGY
 Swift Creek Natural Asbestos Cleanup (30000015)

Reappropriation:
 State Building Construction Account--State \$500,000

Prior Biennia (Expenditures) \$500,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3033. FOR THE DEPARTMENT OF
ECOLOGY
 Yakima Basin Integrated Water Management Plan
 Implementation (30000278)

Appropriation:
 State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3034. FOR THE DEPARTMENT OF
ECOLOGY
 Water Irrigation Efficiencies (30000285)

Appropriation:
 State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3035. FOR THE DEPARTMENT OF
ECOLOGY
 Green River Flood Levee Improvements (30000295)

Appropriation:
 State Building Construction Account--State \$4,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,000,000

NEW SECTION. Sec. 3036. FOR THE DEPARTMENT OF
ECOLOGY
 Mount Vernon Flood Protection (30000297)

Appropriation:
 State Building Construction Account--State \$700,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$700,000

NEW SECTION. Sec. 3037. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Hood Canal Wastewater (20061850)

Reappropriation:
 Hood Canal Aquatic Rehabilitation Bond
 Account--State \$3,130,000

Prior Biennia (Expenditures) \$2,790,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,920,000

NEW SECTION. Sec. 3038. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Minor Works: Preservation (30000001)

Reappropriation:
 State Building Construction Account--State \$2,870,000

Prior Biennia (Expenditures) \$3,930,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,800,000

NEW SECTION. Sec. 3039. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Trail Development (30000003)

Reappropriation:
 State Building Construction Account--State \$592,000

Prior Biennia (Expenditures) \$208,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$800,000

NEW SECTION. Sec. 3040. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Puget Sound Initiative (30000050)

Reappropriation:
 State Building Construction Account--State \$600,000

Prior Biennia (Expenditures) \$1,400,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3041. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Twanoh State Park: Storm Water Improvements (30000054)

Reappropriation:
 State Building Construction Account--State \$226,000

Prior Biennia (Expenditures) \$24,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$250,000

NEW SECTION. Sec. 3042. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Dash Point State Park: Sanitary Sewer Collection System
 (30000269)

Reappropriation:
 State Building Construction Account--State \$2,327,000

Prior Biennia (Expenditures) \$920,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,247,000

NEW SECTION. Sec. 3043. FOR THE STATE PARKS
AND RECREATION COMMISSION
 Fort Worden State Park: Housing Areas Exterior Improvements
 (30000433)

Reappropriation:
 State Building Construction Account--State \$339,000

Prior Biennia (Expenditures) \$407,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$746,000

NEW SECTION. Sec. 3044. FOR THE STATE PARKS AND RECREATION COMMISSION

Illahee State Park: Wastewater Treatment Upgrade (30000447)

Reappropriation:

State Building Construction Account--State \$704,000

Prior Biennia (Expenditures) \$868,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,572,000

NEW SECTION. Sec. 3045. FOR THE STATE PARKS AND RECREATION COMMISSION

Deception Pass State Park: Wastewater System (30000483)

Reappropriation:

State Building Construction Account--State \$262,000

Prior Biennia (Expenditures) \$38,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$300,000

NEW SECTION. Sec. 3046. FOR THE STATE PARKS AND RECREATION COMMISSION

Fish Barrier Removal (30000540)

Appropriation:

State Building Construction Account--State \$1,238,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$8,940,000
 TOTAL \$10,178,000

NEW SECTION. Sec. 3047. FOR THE STATE PARKS AND RECREATION COMMISSION

Iron Horse Tunnel Hazard Repair (30000552)

Appropriation:

State Building Construction Account--State \$1,896,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,896,000

NEW SECTION. Sec. 3048. FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works: Health and Safety (30000667)

Appropriation:

State Building Construction Account--State \$5,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$1,866,000
 TOTAL \$6,866,000

NEW SECTION. Sec. 3049. FOR THE STATE PARKS AND RECREATION COMMISSION

Bay View Park Wide Wastewater Treatment System (20082041)

Appropriation:

State Building Construction Account--State \$1,250,000

Prior Biennia (Expenditures) \$937,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,187,000

NEW SECTION. Sec. 3050. FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works: Facilities and Infrastructure Preservation (30000766)

Appropriation:

State Building Construction Account--State \$3,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$8,421,000
 TOTAL \$11,421,000

NEW SECTION. Sec. 3051. FOR THE STATE PARKS AND RECREATION COMMISSION

Facility and Infrastructure Backlog Reduction (30000770)

Appropriation:

State Building Construction Account--State \$1,300,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$6,000,000
 TOTAL \$7,300,000

NEW SECTION. Sec. 3052. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden State Park: Building 202 Rehabilitation (30000027)

Appropriation:

State Building Construction Account--State \$2,377,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,377,000

NEW SECTION. Sec. 3053. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Washington Wildlife and Recreation Program (19982003)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 158, chapter 371, Laws of 2006.

Reappropriation:

Outdoor Recreation Account--State \$396,000
 Habitat Conservation Account--State \$487,000
 Subtotal Reappropriation \$883,000

Prior Biennia (Expenditures) \$76,718,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$77,601,000

NEW SECTION. Sec. 3054. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (20044001)

Reappropriation:

State Building Construction Account--State \$920,000

Prior Biennia (Expenditures) \$11,080,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$12,000,000

NEW SECTION. Sec. 3055. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Washington Wildlife and Recreation Program (20044002)

The reappropriations in this section are subject to the following conditions and limitations: Any amount of the reappropriation that is not obligated to a specific project may be used to fund alternate projects approved by the legislature from the same account in biennia succeeding that in which the moneys were originally appropriated.

Reappropriation:

Outdoor Recreation Account--State	\$889,000
Habitat Conservation Account--State	\$1,062,000
Subtotal Reappropriation	\$1,951,000

Prior Biennia (Expenditures)	\$42,579,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$44,530,000

NEW SECTION. Sec. 3056. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Youth Athletic Fields (20062952)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 172, chapter 371, Laws of 2006.

Reappropriation:

State Building Construction Account--State	\$621,000
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Prior Biennia (Expenditures)	\$1,879,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,500,000

NEW SECTION. Sec. 3057. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (20064001)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 403, chapter 488, Laws of 2005.

Reappropriation:

State Building Construction Account--State	\$2,585,000
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Prior Biennia (Expenditures)	\$15,415,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$18,000,000

NEW SECTION. Sec. 3058. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Washington Wildlife and Recreation Program (20064002)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 404, chapter 488, Laws of 2005.

Reappropriation:

Outdoor Recreation Account--State	\$1,884,000
Habitat Conservation Account--State	\$4,225,000
Subtotal Reappropriation	\$6,109,000

Prior Biennia (Expenditures)	\$43,891,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$50,000,000

NEW SECTION. Sec. 3059. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Family Forest and Fish Passage Program (20082001)

The reappropriation in this section is subject to the following conditions and limitations:

(1) This reappropriation is provided solely for the salmon recovery funding board in consultation with the small forest landowner office of the department of natural resources and the department of fish and wildlife to provide grants to correct fish passage blockages on nonindustrial forest lands. Selection of projects must be coordinated with the other salmon recovery grant programs.

(2) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the committee shall file quarterly project progress reports with the office of financial management.

Reappropriation:

State Building Construction Account--State	\$841,000
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Prior Biennia (Expenditures)	\$5,159,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,000,000

NEW SECTION. Sec. 3060. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Puget Sound Restoration and Acquisition (20084004)

Reappropriation:

State Building Construction Account--State	\$10,443,000
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Prior Biennia (Expenditures)	\$30,307,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$40,750,000

NEW SECTION. Sec. 3061. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Aquatic Lands Enhancement Account (20084005)

Reappropriation:

State Building Construction Account--State	\$2,416,000
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Prior Biennia (Expenditures)	\$2,609,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,025,000

NEW SECTION. Sec. 3062. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Washington Wildlife Recreation Grants (20084011)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The reappropriations are provided solely for the approved list of projects in LEAP capital document No. 2007-3 as developed on March 17, 2007, and LEAP capital document No. 2008-1 as developed on February 13, 2008.

(2) If additional funds are available after funding the farmlands preservation account projects approved in subsection (1) of this section, the board may: Provide one-time grants of up to \$25,000 each to counties requesting assistance in developing farmlands preservation strategies for the purpose of seeking grants from the farmlands preservation account in future grant cycles.

(3) Funds reappropriated for distribution according to the provisions of RCW 79A.15.040(1)(c) must be allocated forty percent to local government projects and sixty percent to state agency projects. If the cumulative total of local government projects is less than forty percent of the total distribution to this category, the difference may be allocated to state agency projects.

(4) Up to \$627,299 of the reappropriation from the riparian protection account is for the Chehalis river surge plain natural area preserve. This amount may not be expended for the project until the department of natural resources has completed a management plan for the preserve that maintains recreational access and that management plan is presented to the house of representatives capital budget and senate ways and means committees.

Reappropriation:

Outdoor Recreation Account--State	\$10,665,000
Farmlands Preservation Account--State	\$2,367,000
Riparian Protection Account--State	\$4,262,000
Habitat Conservation Account--State	\$13,821,000
Subtotal Reappropriation	\$31,115,000

Prior Biennia (Expenditures)	\$67,377,000
Future Biennia (Projected Costs)	\$0

TOTAL \$98,492,000
NEW SECTION. Sec. 3063. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Salmon Recovery Funding Board Programs (20084851)

Reappropriation:

State Building Construction Account--State \$3,813,000

Prior Biennia (Expenditures) \$14,187,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$18,000,000

NEW SECTION. Sec. 3064. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Washington Wildlife Recreation Grants (30000002)

Reappropriation:

Outdoor Recreation Account--State \$13,785,000
 Farmlands Preservation Account--State \$4,357,000
 Riparian Protection Account--State \$7,060,000
 Habitat Conservation Account--State \$19,542,000
 Subtotal Reappropriation \$44,744,000

Prior Biennia (Expenditures) \$24,701,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$69,445,000

NEW SECTION. Sec. 3065. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Salmon Recovery Funding Board Programs (30000003)

Reappropriation:

State Building Construction Account--State \$5,760,000

Prior Biennia (Expenditures) \$4,240,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$10,000,000

NEW SECTION. Sec. 3066. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Aquatic Lands Enhancement Account (30000007)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for the list of projects in LEAP capital document No. 2009-3, developed March 9, 2009.

Reappropriation:

State Building Construction Account--State \$1,138,000

Prior Biennia (Expenditures) \$2,887,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,025,000

NEW SECTION. Sec. 3067. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Puget Sound Acquisition and Restoration (30000080)

Reappropriation:

State Building Construction Account--State \$23,421,000

Prior Biennia (Expenditures) \$9,579,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$33,000,000

NEW SECTION. Sec. 3068. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Puget Sound Estuary and Salmon Restoration Program (30000081)

Reappropriation:

State Building Construction Account--State \$5,095,000

Prior Biennia (Expenditures) \$1,905,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$7,000,000

NEW SECTION. Sec. 3069. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Salmon Recovery Funding Board Programs (30000140)

Appropriation:

State Building Construction Account--State \$10,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$40,000,000
 TOTAL \$50,000,000

NEW SECTION. Sec. 3070. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Puget Sound Estuary and Salmon Restoration Program (30000148)

The appropriation in this section is subject to the following conditions and limitations: The appropriation shall not be expended on the acquisition of lands by state agencies.

Appropriation:

State Building Construction Account--State \$5,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$20,000,000
 TOTAL \$25,000,000

NEW SECTION. Sec. 3071. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Family Forest Fish Passage Program (91000001)

Reappropriation:

State Building Construction Account--State \$3,145,000

Prior Biennia (Expenditures) \$1,855,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3072. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Puget Sound Restoration (30000147)

The appropriation in this section is subject to the following conditions and limitations: The appropriation shall not be expended on the acquisition of lands by state agencies.

Appropriation:

State Building Construction Account--State \$15,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$60,000,000
 TOTAL \$75,000,000

NEW SECTION. Sec. 3073. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
 Family Forest Fish Passage Program (30000203)

Appropriation:

State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$4,000,000
 TOTAL \$6,000,000

NEW SECTION. Sec. 3074. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Washington Wildlife Recreation Grants (30000139)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for the list of projects in LEAP capital document No. 2011-3A, developed May 24, 2011.

Appropriation:

Riparian Protection Account--State \$800,000
 Habitat Conservation Account--State \$20,200,000
 Outdoor Recreation Account--State \$20,200,000
 Farmlands Preservation Account--State \$800,000
 Subtotal Appropriation \$42,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$42,000,000

NEW SECTION. Sec. 3075. FOR THE STATE CONSERVATION COMMISSION

Flood Assistance for Farm Communities (20084850)

Reappropriation:

State Building Construction Account--State \$385,000

Prior Biennia (Expenditures) \$1,115,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,500,000

NEW SECTION. Sec. 3076. FOR THE STATE CONSERVATION COMMISSION

Livestock Nutrient Program (30000001)

Reappropriation:

State Taxable Building Construction Account--State \$780,000

Prior Biennia (Expenditures) \$1,220,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3077. FOR THE STATE CONSERVATION COMMISSION

Conservation Reserve Enhancement Program (30000003)

Reappropriation:

State Building Construction Account--State \$897,000

Prior Biennia (Expenditures) \$103,000
 Future Biennia (Projected Costs) \$1,600,000
 TOTAL \$2,600,000

NEW SECTION. Sec. 3078. FOR THE STATE CONSERVATION COMMISSION

Livestock Nutrient Program (91000002)

Appropriation:

State Taxable Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3079. FOR THE STATE CONSERVATION COMMISSION

Conservation Reserve Enhancement Program (91000003)

Appropriation:

State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3080. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wiley Slough Restoration (20081028)

Reappropriation:

State Building Construction Account--State \$150,000

Prior Biennia (Expenditures) \$2,645,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,795,000

NEW SECTION. Sec. 3081. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Puget Sound Initiative - Nearshore Salmon Restoration (20062001)

The reappropriation in this section is subject to the following conditions and limitations: \$495,000 of the state building construction account--state reappropriation is provided solely to complete project design, permitting, bid plans and specifications, and preconstruction monitoring for removal or modification of the Seahurst Park North Seawall.

Reappropriation:

State Building Construction Account--State \$2,132,000

Prior Biennia (Expenditures) \$11,731,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$13,863,000

NEW SECTION. Sec. 3082. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Voights Creek Hatchery (20081003)

The appropriation in this section is subject to the following conditions and limitations: The appropriations in this section are provided solely for property acquisition, design, and permitting. If the department does not acquire property, the amounts provided in this section shall lapse.

Reappropriation:

State Building Construction Account--State \$115,000

Appropriation:

State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$1,182,000
 Future Biennia (Projected Costs) \$13,000,000
 TOTAL \$15,297,000

NEW SECTION. Sec. 3083. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Issaquah Hatchery Gravity Intake (20081850)

Reappropriation:

State Building Construction Account--State \$539,000

Prior Biennia (Expenditures) \$23,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$562,000

NEW SECTION. Sec. 3084. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Stemilt Basin Acquisition (20082029)

Reappropriation:

State Building Construction Account--State \$200,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$200,000

NEW SECTION. Sec. 3085. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Facility Preservation (30000149)

Reappropriation:

State Building Construction Account--State \$276,000

Prior Biennia (Expenditures) \$144,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$420,000

NEW SECTION. Sec. 3086. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Facility Preservation (30000300)

Appropriation:

State Building Construction Account--State \$2,557,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$2,500,000
 TOTAL \$5,057,000

NEW SECTION. Sec. 3087. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Road Maintenance and Abandonment Plan (30000022)

Reappropriation:

State Building Construction Account--State \$234,000

Prior Biennia (Expenditures) \$716,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$950,000

NEW SECTION. Sec. 3088. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Access Areas Preservation (30000086)

Reappropriation:

State Building Construction Account--State \$388,000

Prior Biennia (Expenditures) \$20,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$408,000

NEW SECTION. Sec. 3089. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Skamania Hatchery Intake Replacement (30000088)

Reappropriation:

State Building Construction Account--State \$500,000

Appropriation:

State Building Construction Account--State \$3,446,000

Prior Biennia (Expenditures) \$324,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,270,000

NEW SECTION. Sec. 3090. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Carpenter Creek Estuary Restoration (92000023)

Reappropriation:

State Building Construction Account--State \$2,784,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,784,000

NEW SECTION. Sec. 3091. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Health, Safety, and Code Requirements (30000135)

Reappropriation:

State Building Construction Account--State \$384,000

Prior Biennia (Expenditures) \$616,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3092. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Leque Island Highway 532 Road Protection (92000019)

Reappropriation:

State Building Construction Account--State \$600,000

Prior Biennia (Expenditures) \$80,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$680,000

NEW SECTION. Sec. 3093. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Dam and Dike (30000145)

Reappropriation:

State Building Construction Account--State \$179,000

Prior Biennia (Expenditures) \$718,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$897,000

NEW SECTION. Sec. 3094. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Fish Passage Barrier Corrections (30000173)

Reappropriation:

State Building Construction Account--State \$577,000

Prior Biennia (Expenditures) \$423,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3095. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Beebe Springs Phase 3 (92000006)

Reappropriation:

State Building Construction Account--State \$651,000

Prior Biennia (Expenditures) \$392,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,043,000

NEW SECTION. Sec. 3096. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Beebe Springs Development (92000026)

Appropriation:

State Building Construction Account--State \$1,891,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,891,000

NEW SECTION. Sec. 3097. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Road Maintenance and Abandonment Plan (30000295)

Appropriation:
 State Building Construction Account--State \$1,826,000
 Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$6,727,000
 TOTAL \$8,553,000

NEW SECTION. Sec. 3098. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Access Areas Preservation (30000296)

Appropriation:
 State Building Construction Account--State \$1,027,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$5,300,000
 TOTAL \$6,327,000

NEW SECTION. Sec. 3099. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Dam and Dike (30000297)

Appropriation:
 State Building Construction Account--State \$1,043,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$2,000,000
 TOTAL \$3,043,000

NEW SECTION. Sec. 3100. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Cherry Valley Fish Passage and Stream Restoration (30000105)

Appropriation:
 State Building Construction Account--State \$1,451,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,451,000

NEW SECTION. Sec. 3101. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Health, Safety, and Code Requirements (30000284)

Appropriation:
 State Building Construction Account--State \$1,241,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$4,500,000
 TOTAL \$5,741,000

NEW SECTION. Sec. 3102. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Infrastructure Preservation (30000298)

Appropriation:
 State Building Construction Account--State \$2,530,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$4,600,000
 TOTAL \$7,130,000

NEW SECTION. Sec. 3103. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Fish Passage Barrier Corrections (30000372)

Appropriation:
 State Building Construction Account--State \$1,280,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0

TOTAL \$1,280,000
NEW SECTION. Sec. 3104. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works: Programmatic (30000301)

Appropriation:
 State Building Construction Account--State \$150,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$150,000

NEW SECTION. Sec. 3105. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Skookumchuck Hatchery Renovation (20082015)

Reappropriation:
 State Building Construction Account--State \$200,000

Prior Biennia (Expenditures)\$3,456,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,656,000

NEW SECTION. Sec. 3106. FOR THE DEPARTMENT OF NATURAL RESOURCES

Marine Station (20081015)

Reappropriation:
 State Building Construction Account--State \$537,000

Prior Biennia (Expenditures)\$213,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$750,000

NEW SECTION. Sec. 3107. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Riparian Easement Program (30000198)

Appropriation:
 State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3108. FOR THE DEPARTMENT OF NATURAL RESOURCES

Fire Hazard Reductions (30000201)

The appropriation in this section is subject to the following conditions and limitations: The appropriations in this section are provided solely for forest improvement treatments on state trust lands in eastern Washington.

Appropriation:
 State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3109. FOR THE DEPARTMENT OF NATURAL RESOURCES

Sustainable Recreation (30000207)

Appropriation:
 State Building Construction Account--State \$1,500,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,500,000

NEW SECTION. Sec. 3110. FOR THE DEPARTMENT OF NATURAL RESOURCES

Natural Areas Facilities Preservation and Access (30000208)

Appropriation:

State Building Construction Account--State \$1,500,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,500,000

NEW SECTION. Sec. 3111. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer (30000200)

The appropriation in this section is subject to the following conditions and limitations:

(1) The total appropriation is provided solely to the department to transfer from trust status, or enter into fifty year leases for, certain trust lands of statewide significance deemed appropriate for state park, fish and wildlife habitat, natural area preserve, natural resources conservation area, open space, or recreation purposes. The approved list of properties for lease or transfer is identified in the LEAP capital document No. 2011-4B, developed April 11, 2011.

(2) Property transferred under this section must be appraised and transferred at fair market value. No later than September 30, 2011, the department must deposit in the common school construction account the portion of the appropriation in this section that represents the estimated value of the timber on the transferred properties. This transfer must be made in the same manner as timber revenues from other common school trust lands. No deduction may be made for the resource management cost account under RCW 79.64.040. The portion of the appropriation in this section that represents the value of the land transferred must be deposited in the natural resources real property replacement account.

(3) Property subject to lease agreements under this section must be appraised at fair market value. Lease terms must be fifty years with options to renew for an additional fifty years. Lease payments must be lump sum payments for the entire term of the lease at the beginning of the lease. The department shall calculate such lump sum payments using professional appraisal standards. These lease payments may not exceed the fee simple purchase price based on current fair market value and must be deposited by the department to the common school construction account in the same manner as lease revenues from other common school trust lands. No deduction may be made for the resource management cost account under RCW 79.64.040. No later than September 30, 2011, the department must transfer to the common school construction account the portion of the appropriation in this section that is attributable to receipts from lease payments.

(4) All reasonable costs incurred by the department to implement this section are authorized to be paid out of the appropriations. Authorized costs include the actual cost of appraisals, staff time, environmental reviews, surveys, and other similar costs and shall not exceed one and nine-tenths percent of the appropriation.

(5) Intergrant exchanges between common school and other trust lands of equal value may occur if the exchange is in the interest of each trust, as determined by the board of natural resources.

(6) Prior to or concurrent with conveyance of these properties, the department, with full cooperation of the receiving agencies, shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Transfer and lease agreements for properties identified in subsection (1) of this section must include terms that restrict the use of the property to the intended purpose. Transfer and lease agreements may include provisions for receiving agencies to request alternative uses of the property, provided the alternative uses are

compatible with the original intended public purpose and the department and legislature approves such uses.

(7) The department and receiving agencies shall work in good faith to carry out the intent of this section. However, the department or receiving agencies may remove a property from the transfer list based on new, substantive information, if it is determined that transfer of the property is not in the statewide interest of either the common school trust or the receiving agency.

(8) \$53,231,000 of the appropriation must be deposited in the common school construction account by September 30, 2011. The department shall execute trust land transfers so that after the deduction of reasonable costs as provided in subsection (4) of this section on an aggregate basis eighty percent of the total value of transferred property is timber value or lease payments and is deposited in the common school construction account. To achieve the eighty percent requirement, the department may choose to lease properties originally intended as transfers or transfer properties originally intended as leases.

(9) By June 30, 2013, the state treasurer shall transfer to the common school construction account any unexpended balance of the appropriation in this section.

(10) \$500,000 of the appropriation is provided solely for the department to process the fee transfer of properties leased to the department of fish and wildlife through the trust land transfer program during the current or previous biennium.

Appropriation:

State Building Construction Account--State \$60,490,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$0

TOTAL \$60,490,000

NEW SECTION. Sec. 3112. FOR THE DEPARTMENT OF NATURAL RESOURCES

Replacing State Forest Lands with Productive Forests (91000029)

The appropriation in this section is subject to the following conditions and limitations:

(1) The total appropriation is provided solely to the department to transfer from state forest land status to natural resources conservation area status certain state forest lands in counties with a population of 25,000 or less which are subject to timber harvest deferrals greater than thirty years due to the presence of wildlife species listed as endangered or threatened under the federal endangered species act. The approved list of properties for transfer is identified in the LEAP capital document No. 2011-5A, developed March 24, 2011.

(2) Property transferred under this section must be appraised and transferred at fair market value, without consideration of management or regulatory encumbrances associated with wildlife species listed under the federal endangered species act. The value of the timber and other valuable materials transferred must be distributed as provided in RCW 79.64.110, in the same manner as valuable material revenues from other state forest lands in the applicable counties. The value of the land transferred must be deposited in the park land trust revolving account and be solely used to buy replacement state forest land within the same county as the property transferred, consistent with RCW 79.22.060.

(3) Prior to or concurrent with conveyance of these properties, the department shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Transfer agreements for properties identified in subsection (1) of this section must include terms that restrict the use of the property to the intended purpose.

(4) The department and applicable counties shall work in good faith to carry out the intent of this section. However, the department or applicable counties may remove a property from the transfer list

based on new, substantive information, if it is determined that transfer of the property is not in the statewide interest of either the state forest trust or the natural resources conservation area program.

Appropriation:

State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$2,000,000

NEW SECTION. Sec. 3113. FOR THE DEPARTMENT OF AGRICULTURE

Health and Safety Projects at County Fairs (92000001)

Appropriation:

State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

(End of part)

PART 4

TRANSPORTATION

NEW SECTION. Sec. 4001. FOR THE WASHINGTON STATE PATROL

Minor Works: Preservation (30000050)

Appropriation:

State Building Construction Account--State \$315,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$2,100,000

TOTAL \$2,415,000

(End of part)

PART 5

EDUCATION

NEW SECTION. Sec. 5001. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Northeast King County Skills Center (20084855)

Reappropriation:

School Construction and Skill Centers Building
Account--State \$3,343,000

Prior Biennia (Expenditures) \$5,259,000

Future Biennia (Projected Costs) \$0

TOTAL \$8,602,000

NEW SECTION. Sec. 5002. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Vocational Skills Centers (20084300)

Reappropriation:

State Building Construction Account--State \$3,187,000

School Construction and Skills Centers Building
Account--State \$119,000

Subtotal Reappropriation \$3,306,000

Prior Biennia (Expenditures) \$67,401,000

Future Biennia (Projected Costs) \$0

TOTAL \$70,707,000

NEW SECTION. Sec. 5003. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Pierce County Skills Center (20084856)

Reappropriation:

School Construction and Skill Centers Building
Account--State \$2,087,000

Appropriation:

State Building Construction Account--State \$7,100,000

Prior Biennia (Expenditures) \$9,949,000

Future Biennia (Projected Costs) \$10,772,000

TOTAL \$29,908,000

NEW SECTION. Sec. 5004. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2009-11 School Construction Assistance Grant Program (30000031)

The reappropriations in this section are subject to the following conditions and limitations: Up to \$14,000,000 of the state building construction account--state reappropriation in this section is for the Grand Coulee Dam school district school project, contingent on the availability of sufficient contributions from federal, local, or private sources to make up the remainder of the total cost of the project. The Grand Coulee Dam school district is faced with a unique set of local funding barriers and federal funds may substitute as the usual requirement for school district participation. In the event sufficient matching contributions are not secured by the Grand Coulee Dam school district, these funds shall lapse.

Reappropriation:

State Building Construction Account--State \$129,681,000

School Construction and Skill Centers Building
Account--Bond--State \$40,885,000

Subtotal Reappropriation \$170,566,000

Prior Biennia (Expenditures) \$144,862,000

Future Biennia (Projected Costs) \$0

TOTAL \$315,428,000

NEW SECTION. Sec. 5005. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Energy Efficiency and Small Repair Grants (91000007)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5007, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State Building Construction Account--State \$52,844,000

Prior Biennia (Expenditures) \$17,045,000

Future Biennia (Projected Costs) \$0

TOTAL \$69,889,000

NEW SECTION. Sec. 5006. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2011-13 School Construction Assistance Program (30000071)

The appropriations in this section are subject to the following conditions and limitations:

(1) In calculating square foot eligibility for state assistance grants, kindergarten student headcount shall not be reduced by fifty percent.

(2) The office of the superintendent of public instruction shall review the impact of students enrolled in alternative learning experiences on the calculation of student enrollment projections for determining school district eligibility for school construction assistance, and shall work with interested stakeholders to analyze

whether the calculation should be changed. The results of the analysis, including possible recommendations for an adjustment factor, shall be submitted to the senate ways and means committee and the house capital budget committee no later than December 31, 2011.

Appropriation:

State Building Construction Account--State \$345,754,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$1,581,765,000
 TOTAL \$1,927,519,000

NEW SECTION. Sec. 5007. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Urgent Repair Grant Program (91000014)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for nonrecurring costs associated with school facility repairs and renovations necessary for unforeseen health and safety needs.

(2) The office of the superintendent of public instruction, after consulting with maintenance and operations administrators of school districts, shall develop criteria for providing funding for specific projects to stay within the appropriation level provided in this section. The criteria must include, but are not limited to, the following: (a) Limiting district applications to one hundred thousand dollars; (b) limiting districts eligible to receive the grant to only once every other biennium; and (c) requiring any district receiving funding provided in this section to demonstrate a consistent commitment to addressing school facilities needs.

Appropriation:

State Building Construction Account--State \$5,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 5008. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Skills Centers Minor Works - Facility Preservation (30000111)

Appropriation:

State Building Construction Account--State \$3,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$12,000,000
 TOTAL \$15,000,000

NEW SECTION. Sec. 5009. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Yakima Valley Technical Skills Center (30000076)

Appropriation:

State Building Construction Account--State \$28,461,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$28,461,000

NEW SECTION. Sec. 5010. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Aviation High School (20081002)

Appropriation:

State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$1,175,000

Future Biennia (Projected Costs) \$0
 TOTAL \$2,175,000

NEW SECTION. Sec. 5011. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Energy Operational Savings Project Grants (30000097)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for energy operational cost savings improvements to school facilities.

(2) Grants shall be awarded for projects using the energy savings performance contracting method under chapter 39.35C RCW or an equivalent method of evaluating and delivering energy operational cost savings improvements. Projects that do not use energy savings performance contracting must: (a) Verify energy and operational cost savings for ten years or until the energy and operational costs savings pay for the project, whichever is shorter; (b) follow the department of general administration's energy savings performance contracting method guidelines; and (c) employ a licensed engineer for the energy audit, design, and construction. The office of the superintendent of public instruction may require third-party verification of savings if a project is not implemented by an energy savings performance contracting method as outlined in chapter 39.35C RCW. If required, third-party verification must be conducted either by an energy savings performance contractor qualified by the department of general administration, or a licensed engineer that is a certified energy manager.

(3) Projects must be weighted and prioritized based on the following criteria and in the following order:

(a) Prior grant award: Priority consideration shall be given to applicants that did not receive grant awards from appropriations provided in sections 1016 and 5007, chapter 36, Laws of 2010 1st sp. sess.;

(b) Leverage ratio: The higher the leverage ratio of guaranteed energy savings and utility or other incentives to state grant, the higher the project ranking;

(c) Energy savings: The higher the simple payback for energy savings, not to exceed the useful life of the energy conservation measure, the higher the project ranking; and

(d) Persistence: The more extensively a project ensures the persistence of energy operational cost savings through ongoing measurement, verification, and reporting over the life of a project, the higher the project ranking.

(4) In order to be eligible for energy cost savings grants under this section, school districts must complete an investment grade audit prior to application, or have completed an audit in the 2009-2011 biennium.

(5)(a) The superintendent of public instruction must use bond proceeds to pay one-half of the preliminary audit, up to five cents per square foot, if the project does not meet the school district's predetermined cost-effectiveness criteria. Public school districts must pay the other one-half of the cost of the preliminary audit if the project does not meet their predetermined cost-effectiveness criteria.

(b) The energy savings performance contractor shall not charge for an investment grade audit if the project does not meet the school district's predetermined cost-effectiveness criteria. Public school districts must pay the full price of an investment grade audit if they do not proceed with a project that meets the school district's predetermined cost-effectiveness criteria.

(6) Applicants must submit documentation that demonstrates energy and operational cost savings resulting from the installation of the energy equipment and improvements. The energy savings analysis shall be performed by a licensed engineer, and the documentation must include, but is not limited to, the following:

- (i) A description of the energy equipment and improvements; and
- (ii) A description of the energy and operational cost savings.

(7) Each school district is limited to one grant award and no more than \$1,000,000.

(8) The office of the superintendent of public instruction may charge projects administrative fees.

(9) The superintendent of public instruction must report to the appropriate committees of the legislature and the office of financial management on the timing and use of the funds by the end of each fiscal year, until the funds are fully expended.

Appropriation:

State Building Construction Account--State \$20,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$20,000,000

NEW SECTION. Sec. 5012. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Clark County Skills Center (30000093)

Appropriation:

State Building Construction Account--State \$100,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$14,750,000
 TOTAL \$14,850,000

NEW SECTION. Sec. 5013. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

SEA-Tech Branch Campus of Tri-Tech Skills Center (30000078)

Appropriation:

State Building Construction Account--State \$1,169,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$11,739,000
 TOTAL \$12,908,000

NEW SECTION. Sec. 5014. FOR THE STATE SCHOOL FOR THE BLIND

Minor Works - Preservation (30000002)

Reappropriation:

State Building Construction Account--State \$188,000

Prior Biennia (Expenditures) \$432,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$620,000

NEW SECTION. Sec. 5015. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

Well Replacement (91000003)

Reappropriation:

State Building Construction Account--State \$264,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$264,000

NEW SECTION. Sec. 5016. FOR THE UNIVERSITY OF WASHINGTON

Odegaard Undergraduate Learning Center (30000370)

Appropriation:

State Building Construction Account--State \$16,575,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$16,575,000

NEW SECTION. Sec. 5017. FOR THE UNIVERSITY OF WASHINGTON

University of Washington Bothell (20082006)

Reappropriation:

State Building Construction Account--State \$2,934,000

Prior Biennia (Expenditures) \$2,216,000
 Future Biennia (Projected Costs) \$77,435,000
 TOTAL \$82,585,000

NEW SECTION. Sec. 5018. FOR THE UNIVERSITY OF WASHINGTON

House of Knowledge Longhouse (30000021)

Reappropriation:

State Building Construction Account--State \$53,000

Appropriation:

State Building Construction Account--State \$2,700,000

Prior Biennia (Expenditures) \$247,000

Future Biennia (Projected Costs) \$0
 TOTAL \$3,000,000

NEW SECTION. Sec. 5019. FOR THE UNIVERSITY OF WASHINGTON

Minor Works: Facility Preservation (30000027)

Reappropriation:

State Building Construction Account--State \$10,366,000

Prior Biennia (Expenditures) \$8,769,000

Future Biennia (Projected Costs) \$0
 TOTAL \$19,135,000

NEW SECTION. Sec. 5020. FOR THE UNIVERSITY OF WASHINGTON

High Voltage Infrastructure Improvement Project (30000371)

Appropriation:

State Building Construction Account--State \$4,365,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,365,000

NEW SECTION. Sec. 5021. FOR THE UNIVERSITY OF WASHINGTON

University of Washington - Minor Capital Repairs (30000372)

Appropriation:

State Building Construction Account--State \$11,186,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$30,000,000
 TOTAL \$41,186,000

NEW SECTION. Sec. 5022. FOR THE UNIVERSITY OF WASHINGTON

Anderson Hall Renovation (20091002)

Appropriation:

State Building Construction Account--State \$1,553,000

Prior Biennia (Expenditures) \$200,000
 Future Biennia (Projected Costs) \$19,997,000
 TOTAL \$21,750,000

NEW SECTION. Sec. 5023. FOR THE WASHINGTON STATE UNIVERSITY

Washington State University Vancouver - Applied Technology and Classroom Building (20062950)

Reappropriation:
 State Building Construction Account--State \$22,685,000

Prior Biennia (Expenditures) \$5,828,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$28,513,000

NEW SECTION. Sec. 5024. FOR THE WASHINGTON STATE UNIVERSITY
 Washington State University Spokane - Riverpoint Biomedical and Health Sciences (20162953)

Reappropriation:
 State Building Construction Account--State \$4,200,000

Appropriation:
 State Building Construction Account--State \$31,230,000

Prior Biennia (Expenditures) \$3,640,000
 Future Biennia (Projected Costs) \$35,000,000
 TOTAL \$74,070,000

NEW SECTION. Sec. 5025. FOR THE WASHINGTON STATE UNIVERSITY
 Minor Works: Preservation (30000065)

Reappropriation:
 State Building Construction Account--State \$10,100,000

Prior Biennia (Expenditures) \$13,803,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$23,903,000

NEW SECTION. Sec. 5026. FOR THE WASHINGTON STATE UNIVERSITY
 Minor Works: Program (30000066)

Reappropriation:
 State Building Construction Account--State \$6,192,000

Prior Biennia (Expenditures) \$11,335,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$17,527,000

NEW SECTION. Sec. 5027. FOR THE EASTERN WASHINGTON UNIVERSITY
 Patterson Hall Remodel (20062002)

Reappropriation:
 State Building Construction Account--State \$18,978,000

Appropriation:
 State Building Construction Account--State \$30,500,000

Prior Biennia (Expenditures) \$7,365,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$56,843,000

NEW SECTION. Sec. 5028. FOR THE EASTERN WASHINGTON UNIVERSITY
 Minor Works: Health, Safety, Code Compliance (30000053)

Reappropriation:
 State Building Construction Account--State \$1,217,000

Prior Biennia (Expenditures) \$1,283,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,500,000

NEW SECTION. Sec. 5029. FOR THE EASTERN WASHINGTON UNIVERSITY
 Minor Works: Preservation (30000427)

Appropriation:
 State Building Construction Account--State \$4,895,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$8,000,000
 TOTAL \$12,895,000

NEW SECTION. Sec. 5030. FOR THE EASTERN WASHINGTON UNIVERSITY
 Minor Works: Health, Safety, and Code Compliance (20081002)

Reappropriation:
 State Building Construction Account--State \$286,000

Prior Biennia (Expenditures) \$3,871,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,157,000

NEW SECTION. Sec. 5031. FOR THE CENTRAL WASHINGTON UNIVERSITY
 Hogue Hall Renovation and Addition (20082003)

Reappropriation:
 State Building Construction Account--State \$15,098,000

Prior Biennia (Expenditures) \$15,144,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$30,242,000

NEW SECTION. Sec. 5032. FOR THE CENTRAL WASHINGTON UNIVERSITY
 Minor Works: Health, Safety, and Code Requirements (30000002)

Reappropriation:
 State Building Construction Account--State \$380,000

Prior Biennia (Expenditures) \$570,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$950,000

NEW SECTION. Sec. 5033. FOR THE CENTRAL WASHINGTON UNIVERSITY
 Minor Works: Infrastructure Preservation (30000009)

Reappropriation:
 State Building Construction Account--State \$253,000

Prior Biennia (Expenditures) \$348,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$601,000

NEW SECTION. Sec. 5034. FOR THE CENTRAL WASHINGTON UNIVERSITY
 Minor Works: Program (30000025)

Reappropriation:
 State Building Construction Account--State \$477,000

Prior Biennia (Expenditures) \$1,523,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5035. FOR THE CENTRAL WASHINGTON UNIVERSITY
 Science Building (30000045)

Reappropriation:
 State Building Construction Account--State \$202,000

Appropriation:
 State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$376,000
 Future Biennia (Projected Costs) \$53,290,000
 TOTAL \$55,868,000

NEW SECTION. Sec. 5036. FOR THE CENTRAL WASHINGTON UNIVERSITY

Samuelson Communication and Technology Center (30000451)

Appropriation:

State Building Construction Account--State \$5,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$60,000,000
 TOTAL \$65,000,000

NEW SECTION. Sec. 5037. FOR THE CENTRAL WASHINGTON UNIVERSITY

Combined Utilities (30000448)

Appropriation:

State Building Construction Account--State \$3,727,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$19,600,000
 TOTAL \$23,327,000

NEW SECTION. Sec. 5038. FOR THE CENTRAL WASHINGTON UNIVERSITY

Nutrition Science: Predesign (30000456)

Appropriation:

State Building Construction Account--State \$300,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$39,750,000
 TOTAL \$40,050,000

NEW SECTION. Sec. 5039. FOR THE EVERGREEN STATE COLLEGE

Communications Laboratory Building Preservation and Renovation (30000002)

Reappropriation:

State Building Construction Account--State \$1,291,000

Appropriation:

State Building Construction Account--State \$8,130,000

Prior Biennia (Expenditures) \$530,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$9,951,000

NEW SECTION. Sec. 5040. FOR THE EVERGREEN STATE COLLEGE

Minor Works Preservation (30000003)

Reappropriation:

State Building Construction Account--State \$1,567,000

Prior Biennia (Expenditures) \$2,440,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,007,000

NEW SECTION. Sec. 5041. FOR THE EVERGREEN STATE COLLEGE

Minor Works: Health, Safety, Code Compliance (30000016)

Reappropriation:

State Building Construction Account--State \$1,288,000

Prior Biennia (Expenditures) \$665,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,953,000

NEW SECTION. Sec. 5042. FOR THE EVERGREEN STATE COLLEGE

Minor Works: Program (30000031)

Reappropriation:

State Building Construction Account--State \$1,043,000

Prior Biennia (Expenditures) \$507,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,550,000

NEW SECTION. Sec. 5043. FOR THE EVERGREEN STATE COLLEGE

Minor Works: Infrastructure (30000046)

Reappropriation:

State Building Construction Account--State \$398,000

Prior Biennia (Expenditures) \$982,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,380,000

NEW SECTION. Sec. 5044. FOR THE EVERGREEN STATE COLLEGE

Science Center - Lab I, 2nd Floor Renovation (30000116)

Appropriation:

State Building Construction Account--State \$4,950,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,950,000

NEW SECTION. Sec. 5045. FOR THE WESTERN WASHINGTON UNIVERSITY

Miller Hall Renovation (20041953)

Reappropriation:

State Building Construction Account--State \$19,075,000

Prior Biennia (Expenditures) \$32,442,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$51,517,000

NEW SECTION. Sec. 5046. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works - Program (20082093)

Reappropriation:

State Building Construction Account--State \$191,000

Prior Biennia (Expenditures) \$10,364,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$10,555,000

NEW SECTION. Sec. 5047. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works: Health, Safety, and Code Requirements (30000004)

Reappropriation:

State Building Construction Account--State \$710,000

Prior Biennia (Expenditures) \$1,862,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,572,000

NEW SECTION. Sec. 5048. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works: Facilities Preservation (30000005)

Reappropriation:

State Building Construction Account--State \$1,030,000

Prior Biennia (Expenditures) \$2,881,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,911,000

NEW SECTION. Sec. 5049. FOR THE WESTERN WASHINGTON UNIVERSITY
 Minor Works: Infrastructure (30000006)

Reappropriation:
 State Building Construction Account--State \$401,000

Prior Biennia (Expenditures) \$1,380,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,781,000

NEW SECTION. Sec. 5050. FOR THE WESTERN WASHINGTON UNIVERSITY
 Minor Works: Program (30000007)

Reappropriation:
 State Building Construction Account--State \$2,023,000

Prior Biennia (Expenditures) \$3,225,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,248,000

NEW SECTION. Sec. 5051. FOR THE WESTERN WASHINGTON UNIVERSITY
 Classroom and Lab Upgrades (30000425)

Appropriation:
 State Building Construction Account--State \$2,486,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,486,000

NEW SECTION. Sec. 5052. FOR THE WESTERN WASHINGTON UNIVERSITY
 Fraser Hall Renovation (30000427)

Appropriation:
 State Building Construction Account--State \$4,480,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,480,000

NEW SECTION. Sec. 5053. FOR THE WESTERN WASHINGTON UNIVERSITY
 Carver Academic Renovation (20081060)

Appropriation:
 State Building Construction Account--State \$6,784,000

Prior Biennia (Expenditures) \$391,000
 Future Biennia (Projected Costs) \$61,175,000
 TOTAL \$68,350,000

NEW SECTION. Sec. 5054. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Pacific-Lewis and Clark Station Camp Park Project (2002S001)

Reappropriation:
 State Building Construction Account--State \$2,368,000

Prior Biennia (Expenditures) \$2,119,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,487,000

NEW SECTION. Sec. 5055. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Lewis and Clark Trail Interpretive Infrastructure Grant (20024001)

Reappropriation:
 State Building Construction Account--State \$319,000

Prior Biennia (Expenditures) \$1,681,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5056. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Statewide - Washington Heritage Project Grants (20064004)

The reappropriation in this section is subject to the following conditions and limitations:
 (1) The reappropriation is subject to the provisions of section 212, chapter 371, Laws of 2006.
 (2) The reappropriation in this section is subject to the provisions of section 5043, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
 State Building Construction Account--State \$964,000

Prior Biennia (Expenditures) \$3,635,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,599,000

NEW SECTION. Sec. 5057. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Washington Heritage Grants (20074004)

The reappropriation in this section is subject to the following conditions and limitations:
 (1) The reappropriation is subject to the project list in section 5137, chapter 520, Laws of 2007.
 (2) The reappropriation in this section is subject to the provisions of section 5044, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
 State Building Construction Account--State \$3,146,000

Prior Biennia (Expenditures) \$6,759,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$9,905,000

NEW SECTION. Sec. 5058. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Washington Heritage Project Capital Grants (30000011)

The reappropriation in this section is subject to the following conditions and limitations:
 (1) The reappropriation in this section is subject to the provisions of section 5120, chapter 497, Laws of 2009.
 (2) The reappropriation in this section is subject to the provisions of section 5045, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
 State Building Construction Account--State \$5,637,000

Prior Biennia (Expenditures) \$3,788,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$9,425,000

NEW SECTION. Sec. 5059. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Minor Works: Preservation (30000093)

Reappropriation:
 State Building Construction Account--State \$572,000

Prior Biennia (Expenditures) \$830,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,402,000

NEW SECTION. Sec. 5060. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Vancouver National Historic Reserve West Barracks (91000002)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is subject to the provisions of section 5040, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
 State Building Construction Account--State \$1,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 5061. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Building Preservation (30000111)

Appropriation:
 State Building Construction Account--State \$800,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$3,200,000
 TOTAL \$4,000,000

NEW SECTION. Sec. 5062. FOR THE WASHINGTON STATE HISTORICAL SOCIETY
 Washington Heritage Grants (30000117)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is subject to the provisions of RCW 27.34.330.

(2) The appropriation is provided solely for the following list of projects:

Project	Authorized Amount
Schooner Martha Foundation	\$118,000
Cascade Land Conservancy	\$155,000
Port of Chinook	\$45,000
City of Bellingham	\$100,000
La Conner Quilt and Textile Museum	\$25,000
City of Vancouver	\$610,000
Blue Mountain Heritage Society	\$30,000
Metro Parks Tacoma	\$60,000
Si View Metro Park District	\$25,000
Total	\$1,168,000

Appropriation:
 State Building Construction Account--State \$1,168,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,168,000

NEW SECTION. Sec. 5063. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY
 Museum System Repair and Upgrades/Preservation (20081013)

Reappropriation:
 State Building Construction Account--State \$1,264,000

Prior Biennia (Expenditures) \$593,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,857,000

NEW SECTION. Sec. 5064. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY
 Minor Works: Facility Preservation (30000014)

Appropriation:
 State Building Construction Account--State \$100,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$400,000
 TOTAL \$500,000

NEW SECTION. Sec. 5065. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Tacoma Community College - Science Building (20012687)

Reappropriation:
 State Building Construction Account--State \$143,000

Prior Biennia (Expenditures) \$30,835,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$30,978,000

NEW SECTION. Sec. 5066. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Spokane Falls Community College - Music Building 15 Renovation (20081320)

Reappropriation:
 State Building Construction Account--State \$634,000

Prior Biennia (Expenditures) \$10,967,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$11,601,000

NEW SECTION. Sec. 5067. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Spokane Falls - Business and Social Science Building (20051853)

Reappropriation:
 Gardner-Evans Higher Education Construction Account--State \$400,000

Prior Biennia (Expenditures) \$19,913,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$20,313,000

NEW SECTION. Sec. 5068. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Pierce College, Fort Steilacoom - Science and Technology (20042694)

Reappropriation:
 State Building Construction Account--State \$834,000

Prior Biennia (Expenditures) \$31,559,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$32,393,000

NEW SECTION. Sec. 5069. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College Fort Steilacoom - Cascade Core (20061326)

Reappropriation:

State Building Construction Account--State \$503,000

Prior Biennia (Expenditures) \$26,450,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$26,953,000

NEW SECTION. Sec. 5070. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clover Park Technical College - Allied Health Care Facility (20062699)

Reappropriation:

State Building Construction Account--State \$317,000

Appropriation:

State Building Construction Account--State \$20,706,000

Prior Biennia (Expenditures) \$1,748,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$22,771,000

NEW SECTION. Sec. 5071. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Community College - Building 7 Renovation (20081319)

Reappropriation:

State Building Construction Account--State \$732,000

Prior Biennia (Expenditures) \$8,620,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$9,352,000

NEW SECTION. Sec. 5072. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic College - Humanities and Student Services (20061204)

Reappropriation:

State Building Construction Account--State \$500,000

Prior Biennia (Expenditures) \$40,888,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$41,388,000

NEW SECTION. Sec. 5073. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College Puyallup - Communication Arts and Health Building (20042691)

Reappropriation:

Gardner-Evans Higher Education Construction
 Account--State \$559,000

Prior Biennia (Expenditures) \$26,691,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$27,250,000

NEW SECTION. Sec. 5074. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Green River Community College: Water System Replacement (20061501)

Reappropriation:

Gardner-Evans Higher Education Construction
 Account--State \$1,000,000

Prior Biennia (Expenditures) \$951,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,951,000

NEW SECTION. Sec. 5075. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

North Seattle Community College: Technology Building Renewal (30000129)

Reappropriation:

State Building Construction Account--State \$1,478,000

Prior Biennia (Expenditures) \$606,000
 Future Biennia (Projected Costs) \$20,950,000
 TOTAL \$23,034,000

NEW SECTION. Sec. 5076. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lake Washington Technical College: Allied Health Building (20062697)

Reappropriation:

State Building Construction Account--State \$3,462,000

Prior Biennia (Expenditures) \$22,343,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$25,805,000

NEW SECTION. Sec. 5077. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Puget Sound Community College: Learning Resource Center (20062698)

Reappropriation:

State Building Construction Account--State \$2,130,000

Appropriation:

State Building Construction Account--State \$30,196,000

Prior Biennia (Expenditures) \$1,976,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$34,302,000

NEW SECTION. Sec. 5078. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Seattle Central Community College: Wood Construction Center (20081216)

Reappropriation:

State Building Construction Account--State \$15,922,000

Prior Biennia (Expenditures) \$6,387,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$22,309,000

NEW SECTION. Sec. 5079. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Peninsula College: Business and Humanities Center (20081218)

Reappropriation:

State Building Construction Account--State \$8,957,000

Prior Biennia (Expenditures) \$22,987,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$31,944,000

NEW SECTION. Sec. 5080. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls Community College: Chemistry and Life Science Building (20081219)

Reappropriation:		Grays Harbor College: Science and Math Building (20081226)	
State Building Construction Account--State	\$4,696,000	Reappropriation:	
Prior Biennia (Expenditures)	\$18,831,000	State Building Construction Account--State	\$1,863,000
Future Biennia (Projected Costs)	\$0	Prior Biennia (Expenditures)	\$705,000
TOTAL	\$23,527,000	Future Biennia (Projected Costs)	\$46,270,000
NEW SECTION. Sec. 5081. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM		TOTAL	\$48,838,000
Spokane Community College: Technical Education Building (20081220)		NEW SECTION. Sec. 5087. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
Reappropriation:		Pierce College Fort Steilacoom: Cascade Core (20081321)	
State Building Construction Account--State	\$14,095,000	Reappropriation:	
Prior Biennia (Expenditures)	\$12,335,000	State Building Construction Account--State	\$4,590,000
Future Biennia (Projected Costs)	\$0	Prior Biennia (Expenditures)	\$10,751,000
TOTAL	\$26,430,000	Future Biennia (Projected Costs)	\$0
NEW SECTION. Sec. 5082. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM		TOTAL	\$15,341,000
Everett Community College: Index Hall Replacement (20081221)		NEW SECTION. Sec. 5088. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
Reappropriation:		Tacoma Community College: Health Careers Center (20082701)	
State Building Construction Account--State	\$1,468,000	Reappropriation:	
Appropriation:		State Building Construction Account--State	\$906,000
State Building Construction Account--State	\$31,988,000	Prior Biennia (Expenditures)	\$1,160,000
Prior Biennia (Expenditures)	\$3,489,000	Future Biennia (Projected Costs)	\$38,819,000
Future Biennia (Projected Costs)	\$0	TOTAL	\$40,885,000
TOTAL	\$36,945,000	NEW SECTION. Sec. 5089. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
NEW SECTION. Sec. 5083. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM		Bellevue Community College: Health Science Building (20082702)	
Green River Community College: Trades and Industry Building (20081222)		Reappropriation:	
Reappropriation:		State Building Construction Account--State	\$500,000
State Building Construction Account--State	\$1,127,000	Prior Biennia (Expenditures)	\$2,554,000
Prior Biennia (Expenditures)	\$718,000	Future Biennia (Projected Costs)	\$42,712,000
Future Biennia (Projected Costs)	\$35,810,000	TOTAL	\$45,766,000
TOTAL	\$37,655,000	NEW SECTION. Sec. 5090. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
NEW SECTION. Sec. 5084. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM		Bates Technical College: Mohler Communications Technology Center (20082703)	
Skagit Valley College: Academic and Student Services Building (20081224)		Reappropriation:	
Reappropriation:		State Building Construction Account--State	\$1,123,000
State Building Construction Account--State	\$890,000	Prior Biennia (Expenditures)	\$805,000
Prior Biennia (Expenditures)	\$976,000	Future Biennia (Projected Costs)	\$26,657,000
Future Biennia (Projected Costs)	\$26,545,000	TOTAL	\$28,585,000
TOTAL	\$28,411,000	NEW SECTION. Sec. 5091. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
NEW SECTION. Sec. 5085. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM		Clark College: Health and Advanced Technologies Building (20082705)	
Lower Columbia College: Health and Science Building (20081225)		Reappropriation:	
Reappropriation:		State Building Construction Account--State	\$1,941,000
State Building Construction Account--State	\$760,000	Prior Biennia (Expenditures)	\$633,000
Prior Biennia (Expenditures)	\$3,927,000	Future Biennia (Projected Costs)	\$49,186,000
Future Biennia (Projected Costs)	\$33,931,000	TOTAL	\$51,760,000
TOTAL	\$38,618,000	NEW SECTION. Sec. 5092. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
NEW SECTION. Sec. 5086. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM		Roof Repairs "A" (30000010)	
		Reappropriation:	

State Building Construction Account--State \$578,000

Prior Biennia (Expenditures) \$2,049,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,627,000

NEW SECTION. Sec. 5093. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Facility Repairs "A" (30000048)

Reappropriation:
 State Building Construction Account--State \$12,058,000

Prior Biennia (Expenditures) \$4,670,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$16,728,000

NEW SECTION. Sec. 5094. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Minor Works: Program (30000078)

Reappropriation:
 State Building Construction Account--State \$2,599,000

Prior Biennia (Expenditures) \$1,259,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,858,000

NEW SECTION. Sec. 5095. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Yakima Valley Community College: College/City Library (30000113)

Reappropriation:
 State Building Construction Account--State \$1,752,000

Prior Biennia (Expenditures) \$248,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5096. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Bellingham Technical College: Fisheries Program (30000117)

Appropriation:
 State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5097. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Lower Columbia College: Myklebust Gymnasium (30000118)

Appropriation:
 State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5098. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Wenatchee Valley College: Music and Arts Center (30000119)

Appropriation:
 State Building Construction Account--State \$1,689,000

Prior Biennia (Expenditures) \$311,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5099. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Seattle Central Community College: Seattle Maritime Academy (30000120)

Reappropriation:
 State Building Construction Account--State \$1,160,000

Prior Biennia (Expenditures) \$177,000
 Future Biennia (Projected Costs) \$17,954,000
 TOTAL \$19,291,000

NEW SECTION. Sec. 5100. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Yakima Valley Community College: Palmer Martin Building (30000121)

Reappropriation:
 State Building Construction Account--State \$736,000

Prior Biennia (Expenditures) \$261,000
 Future Biennia (Projected Costs) \$24,584,000
 TOTAL \$25,581,000

NEW SECTION. Sec. 5101. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Peninsula College: Fort Worden Building 202 (30000114)

Appropriation:
 State Building Construction Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 5102. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Spokane Falls Community College: Stadium & Athletic Fields (30000116)

Appropriation:
 State Building Construction Account--State \$758,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$758,000

NEW SECTION. Sec. 5103. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Green River Community College: Science Math Technology Building (30000130)

Reappropriation:
 State Building Construction Account--State \$942,000

Appropriation:
 State Building Construction Account--State \$18,562,000

Prior Biennia (Expenditures) \$373,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$19,877,000

NEW SECTION. Sec. 5104. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
 Site Repairs "A" (30000504)

Appropriation:
 State Building Construction Account--State \$1,983,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,983,000

NEW SECTION. Sec. 5105. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works Program (30000674)

Appropriation:

State Building Construction Account--State \$20,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
TOTAL \$20,000,000

NEW SECTION. Sec. 5106. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls Community College: Campus Classrooms (20062696)

Appropriation:

State Building Construction Account--State \$17,647,000

Prior Biennia (Expenditures) \$1,317,000
 Future Biennia (Projected Costs) \$0
TOTAL \$18,964,000

NEW SECTION. Sec. 5107. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Construction Contingency Pool (92000007)

The reappropriation in this section is provided solely for allocation by the state board for community and technical colleges for major construction and renovation projects that confront emergent and unavoidable costs in excess of the construction contingency and management reserves included in the project appropriation. The board shall report at least quarterly to the office of financial management and the legislative capital budget committees on requests for and allocations from the pool.

Reappropriation:

State Building Construction Account--State \$900,000

Prior Biennia (Expenditures) \$2,439,000
 Future Biennia (Projected Costs) \$0
TOTAL \$3,339,000

(End of part)

PART 6

2011 SUPPLEMENTAL CAPITAL BUDGET

Sec. 6001. 2009 c 497 s 1050 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) **COMMERCE**

Temporary Public Works Grant Program (92000021)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for grants for the specified public works projects and competitive public works grant programs specified below. The public works board (board) shall administer the following competitive public works grant programs within the amounts specified, provided that up to ten percent of the amounts provided for competitive grant programs may be transferred to other competitive grant categories if acceptable applications for any category do not total the amount available.

(1) \$9,531,000 is provided solely for a competitive public works grant program for local governments serving communities in rural counties as defined in RCW 43.160.020. The board shall prioritize applications for funding for this small community jobs program based on the following criteria:

- (a) The unemployment rate of the community;
- (b) The ability of the applicant to complete the project promptly;

and

(c) The value the project presents to the community in lasting improvements to public safety, environmental quality, recreation and community life, or economic development.

(2) \$9,531,000 is provided solely for a competitive public works grant program for local governments serving high density urban communities. The board shall prioritize applications for funding from this urban vitality program based on the following criteria:

(a) The proposed project's ability to decrease the per capita vehicle miles driven in the community by increasing access to mass transit, supporting residential density in proximity to employment opportunities, and improving the safety and appeal of walking and biking in a community;

(b) The ability of the applicant to complete the project promptly; and

(c) The local support for the project as indicated by the level of local matching funds devoted to the project. Local matching funds do not include funds from other state sources.

(3) The state taxable building construction account--state appropriation is provided solely for emergency loans under RCW 43.155.065.

(4) ((~~\$23,535,000~~)) **\$21,528,000** is provided solely for the following list of projects. The appropriation for Airway Heights wastewater treatment plant is contingent upon a capacity agreement with the Kalispel Tribe that precludes the need to build multiple wastewater treatment facilities on the West Plains. If any project on the following list is unable to show reasonable progress towards accomplishing the intended project by December 31, 2010, the board may transfer the amount allocated for the project to the competitive grant categories in subsections (1) and (2) of this section.

Airway Heights Water Treatment Plant	\$1,000,000
Small Community Jobs - Assistance for Grand Coulee School	\$500,000
Small Community Jobs - Camano Island County Park Development	\$300,000
Small Community Jobs - Connell Infrastructure	\$1,100,000
Small Community Jobs - Dayton School Biomass Heating System	\$100,000
Small Community Jobs - Grandview Downtown Revitalization	\$500,000
Small Community Jobs - Green Acres Neighborhood Park	\$200,000
Small Community Jobs - Hoh Tribe Fire Station	\$623,000
Small Community Jobs - Longview Elementary Safety Underpass	\$250,000
Small Community Jobs - Mesa Playground	\$35,000
Small Community Jobs - Pasco Commercial Avenue Construction	\$800,000
Small Community Jobs - Union Gap School Crossing Improvement	\$227,000
Small Community Jobs - Yakima Downtown Futures	\$1,000,000
Small Community Jobs - Yelm Longmire Park	\$400,000
Urban Vitality - Federal Way Urban Infrastructure	\$5,000,000
((Urban Vitality—Infrastructure for Puyallup (Parametrix)))	((\$2,000,000))
Urban Vitality - Percival Landing	\$3,000,000

Urban Vitality - Redmond Square Development	\$2,000,000
Urban Vitality - Renton Hawks Landing	\$1,700,000
Water - Gig Harbor Waste Water Treatment	\$2,500,000
Water - Pine Terrace Water Association Project	((\$300,000))
	<u>\$293,000</u>
Total	<u>\$21,528,000</u>

Appropriation:

State Building Construction Account--State	((\$42,597,000))
\$40,340,000	
State Taxable Building Construction Account--State	
\$2,000,000	
Subtotal Appropriation ((\$44,597,000))	
\$42,340,000	

Prior Biennia (Expenditures) \$0	
Future Biennia (Projected Costs) \$0	
TOTAL ((\$44,597,000))	
\$42,340,000	

Sec. 6002. 2010 1st sp.s. c 36 s 1001 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Local and Community Projects (20064008)

The reappropriation in this section is subject to the following conditions and limitations: (1) \$64,319 of the remaining reappropriation for El Centro de la raza may be used for building infrastructure. (2) \$10,000 of the remaining reappropriation for miracle league handicapped baseball may be used for pre-grading and resurfacing construction. (3) \$1,394,107 of the remaining reappropriation for MOBIUS/inland northwest science and technology center may be used for building design, construction, and renovation. (4) \$500,000 of the remaining reappropriation for the Soundway property preservation project may be used by the city of Seattle, in cooperation with the nature consortium for habitat, recreation improvements, or stewardship of the property, if the city of Seattle enacts pending city legislation to preserve the property and place it under the jurisdiction of city of Seattle parks and recreation. (5) The reappropriation is adjusted for the transfer of the Vancouver national historical reserve west barracks project to the Washington state historical society and the termination of the following projects that are no longer viable: (a) Snohomish senior center (~~and~~), (b) central area motivation program (CAMP), (c) undeveloped woodlands linked to interurban trail, (d) Hamilton improvement project, (e) Chambers Creek footbridge, and (f) Tukwila kayak and canoe launching facility.

Reappropriation:

State Building Construction Account--State	((\$9,258,000))
\$8,761,000	
Prior Biennia (Expenditures) \$37,141,000	
Future Biennia (Projected Costs) \$0	
TOTAL ((\$46,399,000))	
\$45,902,000	

Sec. 6003. 2010 1st sp.s. c 36 s 1002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Job and Economic Development Grants (20064950)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is subject to the provisions of section 107, chapter 371, Laws of 2006.

(2) The appropriation is subject to the project list in section 107, chapter 371, Laws of 2006.

(3) Up to \$1,000,000 of the appropriation for the Pacific Northwest national labs campus infrastructure project is provided solely for mega-pop infrastructure.

(4) Up to \$2,200,000 of the appropriation is provided solely for military communities infrastructure projects. Military communities infrastructure projects shall include:

(a) Grants to counties and cities for the purchase of development easements and the purchase of real property in fee simple to restrict the use of accident potential zones and clear zones. The office of financial management shall establish a competitive process for selecting projects to receive the grants. Final allocation of these grants shall be at the discretion and with the approval of the director of the office of financial management.

The grants are subject to the following conditions:

(i) The county or city must be subject to and in compliance with RCW 36.70A.530;

(ii) The grants may not be used to remove encroachments into these zones allowed by county or city zoning or permitting actions;

(iii) The county or city must have an encroachment prevention plan preventing future encroachment into these zones; and

(iv) The grant provided by the state must not exceed one-third of the project cost with funds from local and federal sources providing the balance of the funds.

(b) Up to \$481,000 of the (~~re~~) appropriation is provided solely for improvements to a military department site on Fairchild air force base.

Reappropriation:

Public Works Assistance Account--State	((\$1,733,000))
\$1,253,000	

Appropriation:

State Building Construction Account--State	((\$12,439,000))
\$9,860,000	

Prior Biennia (Expenditures) \$35,828,000	
Future Biennia (Projected Costs) \$0	
TOTAL ((\$50,000,000))	
\$46,941,000	

Sec. 6004. 2009 c 497 s 1016 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) COMMERCE

Community Services Facilities Grants (20074002)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of RCW 43.63A.125.

(2) The reappropriation is subject to the provisions of section 1029, chapter 520, Laws of 2007.

(3) The reappropriation is adjusted for the termination of the YMCA of Snohomish county project.

Reappropriation:

State Building Construction Account--State	((\$1,495,000))
\$1,220,000	

Prior Biennia (Expenditures) \$8,652,000	
Future Biennia (Projected Costs) \$0	
TOTAL ((\$10,147,000))	

\$9,872,000

Sec. 6005. 2009 c 497 s 1017 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) COMMERCE

Youth Recreational Facilities Grants (20074003)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of RCW 43.63A.135.

(2) The reappropriation is subject to the provisions of section 1007, chapter 328, Laws of 2008.

(3) The reappropriation is adjusted for the termination of the Bellevue clubhouse project and the Mukilteo boys and girls club project.

Reappropriation:

State Building Construction Account--State ((~~\$4,000,000~~))
\$2,950,000

Prior Biennia (Expenditures) \$5,050,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$9,050,000~~))

\$8,000,000

Sec. 6006. 2009 c 497 s 1020 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) COMMERCE

Water System Acquisition Rehabilitation Program (20074006)

The reappropriation in this section is subject to the following conditions and limitations: Up to \$1,000,000 of the reappropriation is provided solely for the city of Republic to acquire the Pine Grove water system.

Reappropriation:

State Building Construction Account--State ((~~\$2,191,000~~))
\$2,097,000

Prior Biennia (Expenditures) \$1,559,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$3,750,000~~))

\$3,656,000

Sec. 6007. 2010 1st sp.s. c 36 s 1005 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Job Development Fund Grants (20074010)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is subject to the provisions of section 1032, chapter 520, Laws of 2007.

(2) \$3,000,000 of the appropriation is provided solely for a grant to the port of Grays Harbor for the bulk liquid facility project.

(3) The reappropriation is adjusted for (a) the termination of the city of Soap Lake project.

Reappropriation:

Job Development Account--State \$4,298,000

Appropriation:

State Building Construction Account--State ((~~\$20,930,000~~))
\$19,930,000

Prior Biennia (Expenditures) \$24,702,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$49,930,000~~))

\$48,930,000

Sec. 6008. 2010 1st sp.s. c 36 s 1003 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Local and Community Projects (20084001)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The projects must comply with RCW 43.63A.125 and other requirements for community projects administered by the department.

(2) The reappropriation is subject to the provisions of section 1008, chapter 328, Laws of 2008.

(3) \$1,000,000 of the remaining reappropriation for the Evergreen school district health and biosciences academy may be used for land acquisition. If the facility is not constructed by June 30, 2015, the school district shall reimburse the state an amount equal to \$1,000,000 increased by the average percentage appreciation in property values for undeveloped land in the surrounding area between the date the school district acquired the property and June 30, 2015 or the date the school district disposes of the property.

(4) \$600,000 of the remaining reappropriation for the institute for community leadership may be used for land acquisition.

(5) \$250,000 of the remaining reappropriation for the Pacific Northwest ilocandia association may be used for acquisition and renovation.

(6) \$200,000 of the remaining reappropriation for the library connection at Greenbridge may be used for construction and equipment.

(7) \$1,000,000 of the remaining reappropriation for the Evergreen school district health and biosciences academy may be used for land acquisition.

(8) The remaining reappropriation for the Mobius/inland northwest science and technology center may be used for building design, construction, and renovation.

(9) The reappropriation is adjusted for the transfer of the Vancouver national historical reserve project to the Washington state historical society; the reduction of \$1,400,000 from the Tacoma narrows bridge lights project and \$110,000 from the Seatac world war I memorial plaza; and the termination of the following projects that are no longer viable: (a) Camp kilworth land acquisition - Federal Way, (b) Kitsap SEED, ((~~and (c) Seatac world war I memorial plaza~~)) (c) dining car historic preservation, (d) Lake Stevens civic center, (e) Mill Creek senior center, (f) mountains to sound - state route no. 18/Interstate 90 interchange project, (g) Simon youth foundation resource center, (h) Shoreline YMCA, and (i) town square grid - Drexler drive project.

(10) The remaining reappropriation for the Ashford cultural and mountaineering museum may be used for amenities in support of the amphitheater and the park.

Reappropriation:

State Building Construction Account--State ((~~\$56,650,000~~))
\$53,450,000

Prior Biennia (Expenditures) \$71,694,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$128,344,000~~))

\$125,144,000

Sec. 6009. 2010 1st sp.s. c 36 s 1008 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Quillayute Valley Wood-Fire Boiler (20084858)

Reappropriation:

Energy Freedom Account--State \$20,000

Appropriation:
 State Building Construction Account--State ~~(\$980,000)~~
 \$960,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$1,000,000)~~
 \$980,000

Sec. 6010. 2010 1st sp.s. c 36 s 1009 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF COMMERCE
 Snohomish County Biodiesel (20084859)

Reappropriation:
 Energy Freedom Account--State \$419,000

Appropriation:
 State Building Construction Account--State ~~(\$81,000)~~
 \$0

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$500,000)~~
 \$419,000

Sec. 6011. 2009 c 497 s 1036 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) COMMERCE
 2008 Local and Community Projects (20084861)

The reappropriation in this section is subject to the following conditions and limitations:
 (1) The reappropriation is subject to the provisions of section 1019, chapter 328, Laws of 2008.
 (2) The reappropriation is adjusted for the termination of the (a) armed forces and aerospace museum project, (b) Cispus environmental learning center project, and (c) the hope center project.

Reappropriation:
 State Building Construction Account--State ~~(\$12,751,000)~~
 \$12,366,000

Prior Biennia (Expenditures)\$5,378,000
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$18,129,000)~~
 \$17,744,000

Sec. 6012. 2010 1st sp.s. c 36 s 1011 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF COMMERCE
 Building for the Arts Grants (30000006)

The appropriation in this section is subject to the following conditions and limitations:
 (1) Projects must be selected based on their readiness to proceed.
 (2) The grant for the Federal Way performing arts center must be to the city of Federal Way.
 (3) The appropriation is provided solely for the following list of projects:

Admiral Theatre-No Theatre Left Behind	\$140,000
Building a Foundation for Discovery	\$250,000
((Campus Consolidation (Cornish))	(\$375,000)

Convert Key Bank to Everett's Plaza Theatre	\$500,000
Cottage Renovation (Hedgebrook)	\$20,000
Downstairs at the 5th	\$800,000
Federal Way Performing Arts Center	\$325,000
Gateway Center (Lummi)	\$150,000
((James Center for the Performing Arts (Sequim))	\$150,000)
Langston Hughes Performing Arts Center	\$475,000
Legacy Project (Imagine)	\$200,000
Modular Classrooms for Dance (Gladish)	\$30,000
Mt. Baker Theatre	\$1,000,000
Museum Expansion (Maryhill)	\$1,500,000
New Hands On Children's Museum	\$1,000,000
Reconstruction of First Stage (Issaquah)	\$400,000
Seattle Opera Center	\$650,000
Stage Two (Whidbey)	\$450,000
Vashon Arts Center	\$1,115,000
Visual Arts Education Center (Snohomish County)	\$1,000,000
Viva Vera Capital Campaign	\$70,000

Total	(\$10,600,000)
	<u>\$10,075,000</u>

Appropriation:
 State Building Construction Account--State ~~(\$10,600,000)~~
 \$10,075,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) ~~(\$48,000,000)~~
 \$0
 TOTAL ~~(\$58,600,000)~~
 \$10,075,000

Sec. 6013. 2009 c 497 s 1041 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) COMMERCE
 Youth Recreational Facilities Grants (30000007)

The appropriation in this section is subject to the following conditions and limitations:
 (1) Projects must be selected based on their readiness to proceed.
 (2) The appropriation is provided solely for the following list of projects:

Allen Place	\$800,000
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Auburn Boys & Girls Club	\$800,000
Central Kitsap Community Campus YMCA	\$800,000
Coal Creek Family YMCA	\$800,000
(East Pierce County HOPE Center	(\$800,000)
Highline YMCA	\$800,000
((Hough Pool Renovation	\$150,000)
Jim Parsley Community Center	\$800,000
Kitsap Girl Scout Center	\$205,000
Naval Avenue Boys & Girls Club	\$80,000
Toutle River Ranch	\$360,000
West Sound Teen Center	\$305,000
YMCA Spokane Central	\$800,000
Total	(\$7,500,000) <u>\$6,550,000</u>

purposes intended by the legislature as required in RCW 43.63A.125(2)(c).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

A Home for Opportunity - CASA Latina	\$325,000
Building the new Eastside Clinic - Community Health Care	\$1,900,000
Community Center for Sand Point Housing	\$350,000
Donald G. Topping HOPE Center - Boys & Girls Clubs of Puget Sound	\$1,934,250
Dove House (Domestic Violence/Sexual Assault Program of Jefferson County)	\$240,000
Duvall Multi-Service Center - Hopelink	\$617,985
((Education and Training Center Mt. Baker Planned Parenthood	\$881,847)
Emmanuel Family Life Center - Richard Allen Enterprises	\$400,594
Eritrean Community Center Expansion	\$300,000
Ferndale Boys & Girls Club	\$752,847
Giant Step - RRA	\$520,761
Greenbridge Early Learning Center	\$1,419,281
High Point Neighborhood Center	\$2,000,000
Highline YMCA	\$1,163,000
Milgard Work Opportunity Center - Tacoma Goodwill	\$1,850,000
Northeast Community Center Expansion	\$1,300,000
Pierce County Therapy Center	\$128,000
Rainier Vista & Rainier Valley Teen Center	\$2,400,000
Repurposing Daybreak Star	\$87,500
Riverwalk Point Community Building - Spokane Neighborhood Action Program	\$79,253
Rotary Support Center for Families	\$3,500,000
Safety & Systems Improvements at El Centro de la raza	\$250,031
TAF Community Learning Space (CLS)	\$1,500,000
The Keller House Services Center	\$600,000
YMCA/YWCA Central Spokane Facility	\$3,500,000
Total	(\$28,000,349) <u>\$27,120,000</u>

Appropriation:

State Building Construction Account--State	(\$7,500,000)
\$6,550,000	
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$30,000,000
TOTAL	(\$37,500,000)
\$36,550,000	

Sec. 6014. 2009 c 497 s 1042 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ((COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT)) COMMERCE
Building Communities Fund Grants (30000008)

The appropriation in this section is subject to the following conditions and limitations:

(1) Except as otherwise directed before the effective date of this section, the department shall not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or

Appropriation:

State Building Construction Account--State ~~(\$28,001,000)~~
 \$27,120,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$28,001,000)~~
 \$27,120,000

Sec. 6015. 2010 1st sp.s. c 36 s 1014 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
 Local and Community Projects (30000019)

The appropriation in this section is subject to the following conditions and limitations:

(1) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(2)(c).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(8) The appropriation is provided solely for the following list of projects:

Home Dialysis Center and Professional Workforce Training	\$250,000
Kirkland Park Place Redevelopment	\$2,000,000
Livingston Baker Fire and Life Safety	\$750,000
Marshland Diking District	\$500,000
Marysville Boys & Girls Club	\$500,000
McClure Middle School Energy Saving Performance Contract Demonstration Project (Mountains to Sound Greenway)	\$1,000,000 (\$100,000)
Mukilteo Boys & Girls Club	\$150,000
Neighborcare Health Clinic and Rainier Beach Medical Clinic	\$1,000,000
Parkland at Japanese Gulch	\$1,000,000
Petrovitsky Park Upgrade	\$750,000
Phoenix House	\$200,000
Poulsbo Marine Center	\$500,000
Public Broadcasting Frequency Expansion	\$223,000
(Ready by Five Early Learning Center)	\$1,000,000)
Renovations to Mill Creek City Annex Building	\$30,000
Snohomish County Emergency Center	\$1,000,000
South Tacoma Community Center	\$1,000,000
Whatcom Hospice House	\$700,000
Zina Linnik	\$950,000
Total	<u>\$20,145,000</u>

Local Community Projects

7th St. Theater	\$330,000
Arc of Tri-Cities	\$900,000
Bellevue Clinic--Seattle Children's Hospital	\$2,000,000
Blessed Sacrament Food and Emergency Facilities Renovation	\$200,000
Children's Village Expansion Project	\$500,000
Clark County Food Distribution Facility	\$1,500,000
Coal Creek YMCA (Newcastle)	\$800,000
Dawson Place Child Advocacy Center	\$1,000,000
Federal Way National Little League Field Lighting Project and Monument Entry Sign	\$177,000
Harlequin Theater	\$235,000

Appropriation:
 State Building Construction Account--State ~~(\$20,245,000)~~
 \$20,145,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$20,245,000)~~
 \$20,145,000

Sec. 6016. 2010 1st sp.s. c 36 s 1015 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
 2010 Local and Community Projects (30000082)

The appropriation in this section is subject to the following conditions and limitations:

(1) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(2) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(3) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(4) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(5) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(6) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(7) The appropriation is provided solely for the following list of projects:

Local Community Projects

Aviation High School	\$2,000,000
<u>Bainbridge Island Metropolitan Park & Recreation District</u>	<u>\$130,000</u>
Children's Village Expansion	\$250,000
East King County Performing Arts Center (PACE)	\$2,000,000
Hanford Reach Interpretive Center	\$500,000
Junior Achievement (Statewide JA World Initiative)	\$1,500,000
Lake Boren Park - Replace Unsafe Playground	\$325,000
Museum of Flight Space Gallery	\$3,000,000
Pike Market Workforce Childcare Facility	\$1,000,000
Rainier Beach Medical & Dental Clinic (Neighborcare Health)	\$500,000
Relocation of NAVES Mental Health Center in Brien	\$1,000,000
Restoration of Historic Piciform Theater	\$250,000
San Juan Island Farmers Market - Purchase Historic Building	\$375,000
South King County Multi service Center	\$300,000
Spokane Aerospace Technology Center Design	\$400,000
<u>Sultan Lake 16 Dam Repair</u>	<u>\$250,000</u>
Urban League Village at Colman School/NW African American Museum	\$100,000
West Hill/Skyway Area Infrastructure	\$250,000
<u>Total</u>	<u>\$14,130,000</u>
Appropriation:	
State Building Construction Account--State	((\$13,750,000))
\$14,130,000	

Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	((\$13,750,000))
\$14,130,000	

Sec. 6017. 2010 1st. sp.s. c 36 s 1016 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Jobs Act for K-12 Public Schools and Higher Education Institutions (91000085)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for grants to public school districts and public higher education institutions for operational cost savings improvements to public school district and higher education facilities and related projects that result in energy and operational cost savings. Related projects are those projects that must be completed in order for the energy efficiency improvements to be effective. Grants may also be used for loan interest payments over the term of a loan.

(2) The department of commerce, in consultation with the department of general administration, the office of the superintendent of public instruction, and the Washington State University energy program shall establish a competitive process to solicit and evaluate applications from public school districts and public higher education institutions. Final grant awards shall be determined by the department of commerce.

(3) The definitions in this section apply throughout this section.

(a) "Cost-effectiveness" means that the present value to public school districts and public higher education institutions of the energy reasonably expected to be saved or produced by a facility, activity, measure, or piece of equipment over its useful life, including any compensation received from a utility or the Bonneville power administration, is greater than the net present value of the costs of implementing, maintaining, and operating such facility, activity, measure, or piece of equipment over its useful life, when discounted at the cost of public borrowing.

(b) "Energy equipment" means energy management systems and any equipment, materials, or supplies that are expected, upon installation, to reduce the energy use or energy cost of an existing building or facility, and the services associated with the equipment, materials, or supplies, including but not limited to design, engineering, financing, installation, project management, guarantees, operations, and maintenance. Reduction in energy use or energy cost may also include reductions in the use or cost of water, wastewater, or solid waste.

(c) "Energy cost savings" means savings realized in expenses for energy use and expenses associated with water, wastewater, or solid waste systems.

(d) "Energy savings performance contracting" means the process authorized by chapter 39.35C RCW by which a company contracts with a public agency to conduct energy audits and guarantee energy savings from energy efficiency.

(e) "Operational cost savings" means savings realized from parts, service fees, capital renewal costs, and other measurable annual expenses to maintain and repair systems. This definition does not mean labor savings related to existing facility staff.

(f) "Public facilities" means buildings, building components, and major equipment or systems owned by public school districts and public higher education institutions.

(g) "Innovative measures" means advanced or emerging technologies, systems or approaches that may not yet be in common practice but improve energy efficiency, accelerate deployment, or reduce energy usage, and become widely commercially available in the future if proven successful in demonstration programs without

compromising the guaranteed performance or measurable energy and operational cost savings anticipated. Examples of innovative measures include, but are not limited to, advanced energy and systems operations monitoring, diagnostics and controls systems for buildings; novel heating, cooling, ventilation and water heating systems; advanced windows and insulation technologies, highly efficient lighting technologies, designs, and controls; and integration of renewable energy sources into buildings, and energy savings verification technologies and solutions.

(4) Grants must be awarded in competitive rounds, based on demand and capacity, with at least five percent of each grant round awarded to small public school districts with fewer than 1,000 full-time equivalent students, based on demand and capacity.

(5) Within each competitive round, projects must be weighted and prioritized based on the following criteria and in the following order:

(a) Leverage ratio: In each round, the higher the leverage ratio of nonstate funding sources to state jobs act grant, the higher the project ranking.

(b) Energy savings: In each round, the higher the energy savings, the higher the project ranking. Applicants must submit documentation that demonstrates energy and operational cost savings resulting from the installation of the energy equipment and improvements. The energy savings analysis shall be performed by a licensed engineer, and the documentation must include but is not limited to the following:

(i) A description of the energy equipment and improvements;

(ii) A description of the energy and operational cost savings; and

(iii) A description of the extent to which the project employs collaborative and innovative measures and encourages demonstration of new and emerging technologies with high energy-savings or energy cost-reductions.

(c) Expediency of expenditure: Project readiness to spend funds must be prioritized so that the legislative intent to expend funds quickly is met.

(6) Projects that do not use energy savings performance contracting must: (a) Verify energy and operational cost savings for ten years or until the energy and operational costs savings pay for the project, whichever is shorter; (b) follow the department of general administration's energy savings performance contracting project guidelines; and (c) employ a licensed engineer for the energy audit and construction. The department of commerce may require third-party verification of savings if a project is not implemented by an energy savings performance contractor selected by the department of general administration through the request of qualifications process. Third-party verification must be conducted either by an energy savings performance contractor selected by the department of general administration through a request for qualifications, a licensed engineer that is a certified energy manager, a project resource conservation manager, or educational service district resource conservation manager.

(7) To intensify competition, the department of commerce may only award funds to the top eighty-five percent of projects applying in a round until the department of commerce determines a final round is appropriate. Projects that do not receive a grant award in one round may reapply in subsequent rounds.

(8) To match federal grants and programs that require state matching funds and produce significantly higher efficiencies in operations and utilities, the level of innovation criteria may be increased for the purposes of weighted scoring to capture those federal dollars for selected projects that require a higher level of innovation and regional collaboration.

(9) Grant amounts awarded to each project must allow for the maximum number of projects funded with the greatest energy and cost benefit.

(10)(a) The department of commerce must use bond proceeds to pay one-half of the preliminary audit, up to five cents per square foot, if the project does not meet the school district's and higher education institution's predetermined cost-effectiveness criteria. Public school districts and public higher education institutions must pay the other one-half of the cost of the preliminary audit if the project does not meet their predetermined cost-effectiveness criteria.

(b) The energy savings performance contractor shall not charge for an investment grade audit if the project does not meet the school district's and higher education institution's predetermined cost-effectiveness criteria. Public school districts and public higher education institutions must pay the full price of an investment grade audit if they do not proceed with a project that meets the school district's and higher education institution's predetermined cost-effectiveness criteria.

(11) The department of commerce may charge projects administrative fees and may pay the department of general administration, the Washington State University energy program, and the office of the superintendent of public instruction administration fees in an amount determined through a memorandum of understanding.

(12) The department of commerce and the department of general administration must submit a joint report to the appropriate committees of the legislature and the office of financial management on the timing and use of the grant funds, program administrative function, compliance with apprenticeship utilization requirements in RCW 39.04.320, compliance with prevailing wage requirements, and administration fees by the end of each fiscal year, until the funds are fully expended and all savings verification requirements are fulfilled.

Appropriation:

State Building Construction Account--State	((\$50,000,000))
\$44,809,000	

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$50,000,000))
\$44,809,000	

Sec. 6018. 2010 1st sp.s. c 36 s 1021 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Risk Pool (91000001)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a risk pool to complete projects within the scope described in budget documents submitted as part of the governor's capital budget request and consistent with legislative history. This section only applies to projects included in this 2010 supplemental capital budget with reduced appropriations. The office of financial management may allot portions of this appropriation ten days after notifying the senate ways and means committee and the house of representatives capital budget committee. The notification must include an explanation of the need and the amount for the allotment to complete the scope of an approved project.

Appropriation:

State Building Construction Account--State	((\$4,000,000))
<u>\$0</u>	

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$4,000,000))
<u>\$0</u>	

Sec. 6019. 2010 1st sp.s. c 36 s 1034 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
Pro Arts Building (9100002)

Appropriation:

State Building Construction Account--State ((~~\$225,000~~))
\$201,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$225,000~~))
\$201,000

Sec. 6020. 2009 c 497 s 1069 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
Infrastructure Relocation (20082028)

Reappropriation:

State Building Construction Account--State ((~~\$1,500,000~~))
\$281,000

Prior Biennia (Expenditures) \$500,000
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$2,000,000~~))
\$781,000

Sec. 6021. 2009 c 497 s 1076 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
Facility Oversight Program: Staffing (30000063)

((The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the department of general administration to assist the office of financial management with the development and implementation of RCW 43.82.035 and 43.82.055.))

Appropriation:

State Building Construction Account--State ((~~\$740,000~~))
\$705,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$5,597,000
TOTAL ((~~\$6,337,000~~))
\$6,302,000

Sec. 6022. 2009 c 497 s 1078 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION
Engineering and Architectural Services: Staffing (30000086)

Appropriation:

State Building Construction Account--State ((~~\$9,300,000~~))
\$9,169,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$43,033,000
TOTAL ((~~\$52,333,000~~))
\$52,202,000

Sec. 6023. 2010 1st sp.s. c 36 s 2006 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Capacity to Replace Maple Lane School (92000005)

Appropriation:

State Building Construction Account--State ((~~\$760,000~~))
\$2,097,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) ((~~\$1,025,000~~))
\$0

TOTAL ((~~\$1,785,000~~))

\$2,097,000

Sec. 6024. 2009 c 497 s 2016 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center Medium Management Housing Addition (20082505)

((The reappropriation in this section is subject to the following conditions and limitations:

The reappropriation is to add residential space to existing facilities by remodeling existing residential space and converting existing program space to residential space for additional beds.))

Reappropriation:

State Building Construction Account--State ((~~\$700,000~~))
\$554,000

Prior Biennia (Expenditures) \$575,000
Future Biennia (Projected Costs) \$53,664,000
TOTAL ((~~\$54,939,000~~))
\$54,793,000

Sec. 6025. 2009 c 497 s 2025 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Traffic Study Implementation (30000843)

Appropriation:

State Building Construction Account--State ((~~\$355,000~~))
\$39,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$996,000
TOTAL ((~~\$1,351,000~~))
\$1,035,000

Sec. 6026. 2009 c 497 s 2012 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital New Kitchen and Commissary Building (20081319)

Reappropriation:

State Building Construction Account--State \$400,000

Appropriation:

State Building Construction Account--State ((~~\$650,000~~))
\$540,000

Prior Biennia (Expenditures) \$250,000
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$1,300,000~~))
\$1,190,000

Sec. 6027. 2009 c 497 s 2017 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest Campus Master Plan (20082850)

((The reappropriation in this section is subject to the following conditions and limitations:

(1) The department shall resume and complete a master plan of

the portion of the Fircrest campus that is not utilized by the Fircrest school or the department of health.

(2) In drafting the master plan, the department shall consult with the following:

- (a) The city of Shoreline;
- (b) The department of natural resources;
- (c) The department of health regarding their master planning effort;
- (d) Representatives of institutions of higher education with whom the department has a partnership; and
- (e) Representatives of the Shoreline community and neighboring communities.)

Reappropriation:

State Building Construction Account--State ((~~\$50,000~~))
\$47,000

Prior Bienna (Expenditures) \$395,000
Future Bienna (Projected Costs) \$0
TOTAL ((~~\$445,000~~))
\$442,000

Sec. 6028. 2009 c 497 s 2041 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Coyote Ridge Corrections Center: Design and Construct Medium Security Beds (19982011)

Reappropriation:

State Building Construction Account--State ((~~\$4,772,000~~))
\$4,630,000

Prior Bienna (Expenditures) \$228,170,000
Future Bienna (Projected Costs) \$0
TOTAL ((~~\$232,942,000~~))
\$232,800,000

Sec. 6029. 2009 c 497 s 2045 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Center: Health Care Facility (20062043)

Reappropriation:

State Building Construction Account--State ((~~\$283,000~~))
\$1,000

Prior Bienna (Expenditures) \$417,000
Future Bienna (Projected Costs) ((~~\$89,446,000~~))
\$17,604,000
TOTAL ((~~\$90,146,000~~))
\$18,022,000

Sec. 6030. 2009 c 497 s 2048 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Larch Corrections Center: 80-Bed Expansion (20062852)

Reappropriation:

State Building Construction Account--State ((~~\$560,000~~))
\$425,000

Prior Bienna (Expenditures) \$2,512,000
Future Bienna (Projected Costs) \$0
TOTAL ((~~\$3,072,000~~))
\$2,937,000

Sec. 6031. 2009 c 497 s 2043 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

McNeil Island Corrections: Replace and Stabilize Housing Unit Siding (20061005)

Reappropriation:

State Building Construction Account--State ((~~\$400,000~~))
\$211,000

Prior Bienna (Expenditures) \$3,394,000
Future Bienna (Projected Costs) \$4,087,000
TOTAL ((~~\$7,881,000~~))
\$7,692,000

Sec. 6032. 2009 c 497 s 2044 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: South Close Security Complex (20062021)

Reappropriation:

State Building Construction Account--State ((~~\$35,950,000~~))
\$34,287,000

Prior Bienna (Expenditures) \$29,344,000
Future Bienna (Projected Costs) ((~~\$14,276,000~~))
\$0
TOTAL ((~~\$79,570,000~~))
\$63,631,000

Sec. 6033. 2009 c 497 s 2046 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center for Women: Healthcare Center (20062066)

Reappropriation:

State Building Construction Account--State ((~~\$7,700,000~~))
\$6,935,000

Prior Bienna (Expenditures) \$11,358,000
Future Bienna (Projected Costs) \$0
TOTAL ((~~\$19,058,000~~))
\$18,293,000

Sec. 6034. 2009 c 497 s 2049 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Airway Heights Heating and Cooling Loop Replacement (20081001)

Reappropriation:

State Building Construction Account--State ((~~\$180,000~~))
\$104,000

Prior Bienna (Expenditures) \$2,745,000
Future Bienna (Projected Costs) \$0
TOTAL ((~~\$2,925,000~~))
\$2,849,000

Sec. 6035. 2009 c 497 s 2050 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

McNeil Island Corrections Center: Replace Barge Slip Pilings (20081002)

Reappropriation:

State Building Construction Account--State ((~~\$3,612,000~~))
\$3,146,000

Prior Bienna (Expenditures) \$288,000
Future Bienna (Projected Costs) \$0

TOTAL ((~~\$3,900,000~~))

\$3,434,000

Sec. 6036. 2009 c 497 s 2051 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Replace Kitchen Roofs at Monroe Correctional Complex (20081003)

Reappropriation:

State Building Construction Account--State ((~~\$250,000~~))
\$157,000

Prior Biennia (Expenditures) \$1,812,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$2,062,000~~))

\$1,969,000

Sec. 6037. 2009 c 497 s 2052 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Replace G Building Roof (20081004)

Reappropriation:

State Building Construction Account--State ((~~\$412,000~~))
\$205,000

Prior Biennia (Expenditures) \$4,019,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$4,431,000~~))

\$4,224,000

Sec. 6038. 2009 c 497 s 2053 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Replace Roofs (20081005)

Reappropriation:

State Building Construction Account--State ((~~\$900,000~~))
\$890,000

Prior Biennia (Expenditures) \$5,766,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$6,666,000~~))

\$6,656,000

Sec. 6039. 2010 1st sp.s. c 36 s 2016 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: Replace Roofs (20081007)

Reappropriation:

State Building Construction Account--State ((~~\$180,000~~))
\$160,000

Prior Biennia (Expenditures) \$589,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$769,000~~))

\$749,000

Sec. 6040. 2009 c 497 s 2055 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Replace Fire Alarm System (20081008)

Reappropriation:

State Building Construction Account--State ((~~\$600,000~~))
\$487,000

Prior Biennia (Expenditures) \$924,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$1,524,000~~))

\$1,411,000

Sec. 6041. 2009 c 497 s 2056 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Replace Electrical Distribution Building at Special Offenders Unit (20081009)

Reappropriation:

State Building Construction Account--State ((~~\$539,000~~))
\$536,000

Prior Biennia (Expenditures) \$683,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$1,222,000~~))

\$1,219,000

Sec. 6042. 2009 c 497 s 2057 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Reformatory: Replace Cell Door and Electronics (20081010)

Reappropriation:

State Building Construction Account--State ((~~\$230,000~~))
\$133,000

Prior Biennia (Expenditures) \$1,315,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$1,545,000~~))

\$1,448,000

Sec. 6043. 2009 c 497 s 2058 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Clallam Bay Corrections Center: Replace Telecommunications Infrastructure (20081013)

Reappropriation:

State Building Construction Account--State ((~~\$1,329,000~~))
\$1,110,000

Prior Biennia (Expenditures) \$521,000

Future Biennia (Projected Costs) ((~~\$19,045,000~~))

\$19,105,000

TOTAL ((~~\$20,895,000~~))

\$20,736,000

Sec. 6044. 2009 c 497 s 2062 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary: Laundry Improvements (20081033)

Reappropriation:

State Building Construction Account--State ((~~\$3,701,000~~))
\$3,686,000

Prior Biennia (Expenditures) \$350,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$4,051,000~~))

\$4,036,000

Sec. 6045. 2009 c 497 s 2063 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Expand Reception Center (20082016)

Reappropriation:

State Building Construction Account--State ((~~\$73,000~~)
\$2,000

Prior Biennia (Expenditures) \$397,000
Future Biennia (Projected Costs) ((~~\$64,100,000~~)
\$55,900,000
TOTAL ((~~\$64,570,000~~)
\$56,299,000

Sec. 6046. 2009 c 497 s 2066 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Airway Heights Corrections Center: Sex Offender Treatment Program Building (20082028)

Reappropriation:

State Building Construction Account--State ((~~\$550,000~~)
\$545,000

Prior Biennia (Expenditures) \$4,397,000
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$4,947,000~~)
\$4,942,000

Sec. 6047. 2010 1st sp.s. c 36 s 2010 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center for Women: Roof Replacement (30000178)

Appropriation:

State Building Construction Account--State ((~~\$1,557,000~~)
\$860,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$1,557,000~~)
\$860,000

Sec. 6048. 2009 c 497 s 2074 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Replace Fire Detection/Suppression (30000123)

Appropriation:

State Building Construction Account--State ((~~\$1,098,000~~)
\$898,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$1,098,000~~)
\$898,000

Sec. 6049. 2009 c 497 s 2073 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center for Women: Replace Fire Alarm (30000121)

Appropriation:

State Building Construction Account--State ((~~\$1,625,000~~)
\$661,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$1,625,000~~)
\$661,000

Sec. 6050. 2009 c 497 s 3026 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (20084010)

Reappropriation:

State Building Construction Account--State ((~~\$34,870,000~~)
\$34,470,000

Water Quality Capital Account--State \$4,698,000
Subtotal Reappropriation \$39,168,000

Prior Biennia (Expenditures) \$27,315,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$66,883,000~~)
\$66,483,000

Sec. 6051. 2009 c 497 s 3011 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Columbia River Program (20062010)

Reappropriation:

State Building Construction Account--State ((~~\$1,423,000~~)
\$1,183,000

Prior Biennia (Expenditures) \$14,577,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$16,000,000~~)
\$15,760,000

Sec. 6052. 2009 c 497 s 3006 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Conveyance Infrastructure Projects (20052850)

Reappropriation:

Water Quality Capital Account--State \$81,000
State Building Construction Account--State ((~~\$1,708,000~~)
\$1,689,000

State and Local Improvements Revolving Account
(Water Supply Facilities)--State \$438,000
Subtotal Reappropriation ((~~\$2,227,000~~)
\$2,208,000

Prior Biennia (Expenditures) \$3,573,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$5,800,000~~)
\$5,781,000

Sec. 6053. 2009 c 497 s 3004 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (20044006)

Reappropriation:

State Building Construction Account--State ((~~\$1,600,000~~)
\$1,468,000

State and Local Improvements Revolving Account
(Water Supply Facilities)--State \$392,000
Subtotal Reappropriation ((~~\$1,992,000~~)
\$1,860,000

Prior Biennia (Expenditures) \$11,658,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$13,650,000~~)
\$13,518,000

Sec. 6054. 2009 c 497 s 3008 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Quad Cities Water Right Mitigation (20052852) \$669,000
 Cleanup Settlement Account--State \$1,620,000
 Subtotal Appropriation ~~(\$4,000,000)~~
 \$2,289,000

Reappropriation:
 State Building Construction Account--State ~~(\$1,925,000)~~
 \$1,325,000

Prior Biennia (Expenditures) \$275,000
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$2,200,000)~~
 \$1,600,000

Sec. 6055. 2009 c 497 s 3005 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF ECOLOGY
 Centennial Clean Water Fund (20044007)

Reappropriation:
 State Building Construction Account--State ~~(\$1,481,000)~~
 \$1,366,000
 Water Quality Capital Account--State \$31,000
 Subtotal Reappropriation ~~(\$1,512,000)~~
 \$1,397,000

Prior Biennia (Expenditures) \$43,538,000
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$45,050,000)~~
 \$44,935,000

Sec. 6056. 2009 c 497 s 3039 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF ECOLOGY
 Flood Protection Study (20082855)

((The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the department to conduct a study to determine the number of decertified levees in the state and to identify strategies for recertifying the levees so that they provide optimum protection for the communities protected by the levees. The department must prioritize areas to include in the study based on population and the economic impact of potential flood damage.

The study must include the following components:

- (1) A working group of levee managers to advise and inform the study;
- (2) A technical review of the structural integrity of levee systems;
- (3) An inventory, map, and rate the effectiveness of existing levee systems; and
- (4) The development of strategies and actions needed to improve the existing levee system and to ensure certification by the United States army corps of engineers for one-hundred year flood protection.

The study must be completed and a report provided to the appropriate legislative committees by July 1, 2010.)

Reappropriation:
 State Building Construction Account--State ~~(\$280,000)~~
 \$205,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$280,000)~~
 \$205,000

Sec. 6057. 2010 1st sp.s. c 36 s 3015 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF ECOLOGY
 Safe Soils Remediation Program (30000019)

Appropriation:
 State Building Construction Account--State ~~(\$2,380,000)~~

\$669,000
 Cleanup Settlement Account--State \$1,620,000
 Subtotal Appropriation ~~(\$4,000,000)~~
 \$2,289,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$4,000,000)~~
 \$2,289,000

Sec. 6058. 2009 c 497 s 3055 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF ECOLOGY
 Protect Communities from Flood and Drought (92000002)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$2,500,000 of the appropriation is provided solely for the Columbia basin ground water management area ground water hydrologic modeling project. The project shall submit a report to the appropriate committees of the legislature that does the following:

- (a) Describes the physical properties of the aquifer system and the variation of those properties throughout the area of concern,
- (b) Quantifies the rate and location of aquifer recharge and discharge within the subarea,
- (c) Quantifies the water balance for the by land use type,
- (d) Demonstrates with empirical data a viable solution to the observed problems in the area of concern,
- (e) Estimates the quantity of water needed for the solution, and
- (f) Evaluates the physical and legal availability of such water from the Columbia River. The final report must be submitted by June 30, 2011.

(2) \$10,000,000 of the appropriation is provided solely for a grant to repair the Horseshoe Bend levy that protects communities in the Kent valley.

(3) \$150,000 of the appropriation is provided solely for a grant for the King County fire protection district no. 16 to prevent flood damage to the fire station.

(4) \$2,350,000 of the appropriation is provided solely for a competitive grant program for projects that protect communities from flood damage and prepare communities for drought and water shortages. The department shall prioritize applications from communities most at risk to flood damage and drought and who are least able to fund mitigation projects from local resources. The department shall also seek to balance the needs of different regions of the state, and choose projects most ready to proceed.

Appropriation:
 State Building Construction Account--State ~~(\$15,000,000)~~
 \$14,975,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$15,000,000)~~
 \$14,975,000

Sec. 6059. 2010 1st sp.s. c 36 s 3020 (uncodified) is amended to read as follows:
 FOR THE STATE PARKS AND RECREATION COMMISSION
 Cama Beach State Park (30000101)

Appropriation:
 State Building Construction Account--State ~~(\$2,775,000)~~
 \$1,625,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$2,775,000)~~

\$1,625,000

Sec. 6060. 2010 1st sp.s. c 36 s 3017 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION
Flaming Geyser State Park Park-wide Infrastructure
Redevelopment (30000173)

Appropriation:

State Building Construction Account--State ((~~\$3,003,000~~))
\$603,000

Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$3,003,000~~))

\$603,000

Sec. 6061. 2009 c 497 s 3077 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION
Bay View Park Wide Wastewater Treatment System (20082041)

Reappropriation:

State Building Construction Account--State ((~~\$1,760,000~~))
\$510,000

Prior Biennia (Expenditures)\$427,000
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$2,187,000~~))

\$937,000

Sec. 6062. 2009 c 497 s 3082 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION
Minor Works Preservation (30000001)

Appropriation:

State Building Construction Account--State ((~~\$6,930,000~~))
\$6,800,000

Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$40,641,000
TOTAL ((~~\$47,571,000~~))

\$47,441,000

Sec. 6063. 2010 1st sp.s. c 36 s 3024 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING
BOARD

Washington Wildlife Recreation Grants (20084011)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The reappropriations are provided solely for the approved list of projects in LEAP capital document No. 2007-3 as developed on March 17, 2007, and LEAP capital document No. 2008-1 as developed on February 13, 2008.

(2) If additional funds are available after funding the farmlands preservation account projects approved in subsection (1) of this section, the committee may: Provide one-time grants of up to \$25,000 each to counties requesting assistance in developing farmlands preservation strategies for the purpose of seeking grants from the farmlands preservation account in future grant cycles.

(3) Funds reappropriated for distribution according to the provisions of RCW 79A.15.040(1)(c) must be allocated forty percent to local government projects and sixty percent to state agency projects. If the cumulative total of local government projects is less than forty percent of the total distribution to this category, the difference may be allocated to state agency projects.

(4) Up to \$627,299 of the reappropriation from the riparian protection account is provided solely for the Chehalis river surge plain natural area preserve. This amount may not be expended for the project until the department of natural resources has completed a management plan for the preserve that maintains recreational access and that management plan is presented to the house of representatives capital budget and senate ways and means committees.

Reappropriation:

Farmlands Preservation Account--State((~~\$4,319,000~~))
\$3,792,000
Riparian Protection Account--State \$12,500,000
Habitat Conservation Account--State \$23,956,000
Outdoor Recreation Account--State \$22,994,000
Subtotal Reappropriation ((~~\$63,769,000~~))
\$63,242,000

Prior Biennia (Expenditures)\$35,250,000
Future Biennia (Projected Costs) \$0
TOTAL ((~~\$99,019,000~~))

\$98,492,000

Sec. 6064. 2009 c 497 s 3135 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING
BOARD

Washington Wildlife Recreation Grants (30000002)

((The appropriations in this section are subject to the following conditions and limitations:

The appropriations are provided solely for the list of projects in LEAP capital document No. 2009-1a, developed April 23, 2009.))

Appropriation:

Riparian Protection Account--State \$10,000,000
Habitat Conservation Account--State \$27,000,000
Outdoor Recreation Account--State \$27,000,000
Farmlands Preservation Account--State((~~\$6,000,000~~))
\$5,445,000
Subtotal Appropriation ((~~\$70,000,000~~))
\$69,445,000

Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$200,000,000
TOTAL ((~~\$270,000,000~~))

\$269,445,000

Sec. 6065. 2009 c 497 s 3157 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Voights Creek Hatchery (20081003)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$200,000 of the amount appropriated is provided solely for the repair necessary to restore the facility for limited operations;

(2) \$550,000 of the amount appropriated is provided solely for property acquisition. If the department does not acquire property, the amount provided in this subsection shall lapse; and

(3) \$50,000 of the amount appropriated is provided solely for the department to participate in a work group with the Puyallup Tribe of Indians that will make recommendations no later than December 1, 2009, regarding the options for improving production from hatcheries along the Puyallup river system while reducing cost. Options to be considered include shifting production among the hatcheries, consolidation of hatcheries, and shifting responsibilities for construction, maintenance and operations of hatcheries.

Reappropriation:
 State Building Construction Account--State \$150,000

Appropriation:
 State Building Construction Account--State ((~~\$800,000~~))
 \$792,000

Prior Biennia (Expenditures) \$355,000
 Future Biennia (Projected Costs) \$1,800,000
 TOTAL ((~~\$3,105,000~~))
 \$3,097,000

Sec. 6066. 2009 c 497 s 3186 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE
 ((~~Beebe~~) Beebe Springs Phase 3 (92000006))

Appropriation:
 State Building Construction Account--State ((~~\$2,643,000~~))
 \$1,043,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$2,643,000~~))
 \$1,043,000

Sec. 6067. 2009 c 497 s 3174 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE
 Washougal Hatchery Pond Renovation (30000094)

Appropriation:
 State Building Construction Account--State ((~~\$1,236,000~~))
 \$1,086,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$1,236,000~~))
 \$1,086,000

Sec. 6068. 2009 c 497 s 3184 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE
 Chambers Creek Adult Trap (20081004)

Reappropriation:
 State Building Construction Account--State ((~~\$240,000~~))
 \$0

Prior Biennia (Expenditures) \$12,000
 Future Biennia (Projected Costs) ((~~\$450,000~~))
 \$0
 TOTAL ((~~\$702,000~~))
 \$12,000

Sec. 6069. 2009 c 497 s 3166 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE
 Skookumchuck Hatchery Renovation (20082015)

Reappropriation:
 State Building Construction Account--State \$200,000

Appropriation:
 State Building Construction Account--State ((~~\$3,728,000~~))
 \$3,128,000

Prior Biennia (Expenditures) \$328,000
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$4,256,000~~))

\$3,656,000
Sec. 6070. 2009 c 497 s 3175 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE
 Grays River Hatchery Intake Replacement (30000089)

Appropriation:
 State Building Construction Account--State ((~~\$549,000~~))
 \$81,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) ((~~\$3,499,000~~))
 \$4,000,000
 TOTAL ((~~\$4,048,000~~))
 \$4,081,000

Sec. 6071. 2009 c 497 s 3193 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES
 Road Maintenance and Abandonment Projects (30000071)

Appropriation:
 State Building Construction Account--State ((~~\$500,000~~))
 \$450,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$1,800,000
 TOTAL ((~~\$2,300,000~~))
 \$2,250,000

Sec. 6072. 2009 c 497 s 3194 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES
 Natural Areas Facilities Preservation and Access (30000079)

Appropriation:
 State Building Construction Account--State ((~~\$700,000~~))
 \$665,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$13,923,000
 TOTAL ((~~\$14,623,000~~))
 \$14,588,000

Sec. 6073. 2009 c 497 s 3195 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES
 Recreation Capital Renovations (30000109)

Appropriation:
 State Building Construction Account--State ((~~\$816,000~~))
 \$591,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$32,682,000
 TOTAL ((~~\$33,498,000~~))
 \$33,273,000

Sec. 6074. 2009 c 497 s 3189 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES
 Colville Army (20082851)

Reappropriation:
 Forest Development Account--State \$306,000
 Resource Management Cost Account--State \$323,000
 State Building Construction Account--State ((~~\$292,000~~))
 \$162,000
 Subtotal Reappropriation ((~~\$921,000~~))
 \$791,000

Prior Biennia (Expenditures) \$21,000
 Future Biennia (Projected Costs) \$3,000,000
 TOTAL ((~~\$3,942,000~~))
 \$3,812,000

Sec. 6075. 2009 c 497 s 3192 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES
 Blanchard Mountain (20081951)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely as a continuing compensation for preservation of the core of Blanchard mountain in Skagit County and the subsequent acquisition of replacement working forest lands as Skagit county state forest lands. The department shall consult with the University of Washington college of forest resources' northwest environmental forum and with other interest groups prior to the purchase.

Reappropriation:

State Building Construction Account--State \$3,975,000

Appropriation:

State Building Construction Account--State ((~~\$1,500,000~~))
 \$527,000

Prior Biennia (Expenditures) \$25,000
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$5,500,000~~))
 \$4,527,000

Sec. 6076. 2009 c 497 s 5015 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
 Apple Awards (91000001)

((The appropriation in this section is subject to the following conditions and limitations: Grants of \$25,000 may be awarded to public elementary schools whose students propose capital projects on school property or on other public property in the community, city, or county in which the school is located. The program must be administered by the office of the superintendent of public instruction which shall determine competitive criteria for awarding the grants. \$125,000 of the appropriation is available for five awards of \$25,000 each in the 2009-2010 school year and \$125,000 of the appropriation for five awards of \$25,000 each in the 2010-2011 school year. The funds must be used exclusively for capital projects as proposed by the students in the schools and approved by the district's school board.))

Appropriation:

State Building Construction Account--State ((~~\$250,000~~))
 \$247,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$250,000~~))
 \$247,000

Sec. 6077. 2010 1st sp.s. c 36 s 5007 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
 Energy Efficiency and Small Repair Grants (91000007)

The appropriation in this section is subject to the following conditions and limitations:

(1) Up to \$3,000,000 of the appropriation is provided solely for nonrecurring costs associated with school facility repairs and renovations necessary for health and safety. The office of the

superintendent of public instruction, after consulting with maintenance and operations administrators of school districts, shall develop criteria for providing funding for specific projects to stay within the appropriation level provided in this section. The criteria must include, but are not limited to, the following: (a) Limiting recipient district applications to one hundred thousand dollars per three-year period; (b) limiting districts eligible to receive the grant only once in any three-year period; and (c) requiring any district receiving funding provided in this section to demonstrate a consistent commitment to addressing school facilities needs.

(2) \$50,000,000 of the new appropriation is provided solely for energy operational cost savings improvements to school facilities. The appropriation must be distributed using the performance-based contracting method of delivering energy operational cost savings improvements to public facilities.

(3) The superintendent of public instruction must report to the appropriate committees of the legislature and the office of financial management on the timing and use of the funds by the end of each fiscal year, until the funds are fully expended.

(4) \$100,000 of the appropriation is provided solely to the Monroe public schools for retrofitting the Frank Wagner Elementary chimney.

Appropriation:

State Building Construction Account--State ((~~\$70,000,000~~))
 \$69,889,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$70,000,000~~))
 \$69,889,000

NEW SECTION. Sec. 6078. A new section is added to 2009 c 497 (uncodified) to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS
 Well Replacement (91000003)

Appropriation:

State Building Construction Account--State \$264,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$264,000

Sec. 6079. 2010 1st sp.s. c 36 s 5012 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON
 Savery Hall Renovation (20061005)

Reappropriation:

Gardner-Evans Higher Education Construction Account--State ((~~\$10,822,000~~))
 \$10,757,000

Prior Biennia (Expenditures) \$50,510,000
 Future Biennia (Projected Costs) \$0
 TOTAL ((~~\$61,332,000~~))
 \$61,267,000

Sec. 6080. 2009 c 497 s 5077 (uncodified) is amended to read as follows:

FOR THE CENTRAL WASHINGTON UNIVERSITY
 Hogue Hall Renovation and Addition (20082003)

Reappropriation:

Gardner-Evans Higher Education Construction Account--State ((~~\$1,500,000~~))
 \$1,473,000

Appropriation:

State Building Construction Account--State \$27,265,000

Prior Biennia (Expenditures) \$1,500,000

Future Biennia (Projected Costs) ((~~\$18,837,000~~))

\$0

TOTAL ((~~\$49,102,000~~))

\$30,238,000

Sec. 6081. 2009 c 497 s 5082 (uncodified) is amended to read as follows:

FOR THE CENTRAL WASHINGTON UNIVERSITY
Science Building (30000045)

Appropriation:

State Building Construction Account--State ((~~\$600,000~~))

\$578,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$55,870,000

TOTAL ((~~\$56,470,000~~))

\$56,448,000

Sec. 6082. 2010 1st sp.s. c 36 s 5041 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY
Vancouver National Historic Reserve Visitors Center (91000001)

Appropriation:

State Building Construction Account ((~~\$750,000~~))

\$0

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$750,000~~))

\$0

Sec. 6083. 2010 1st sp.s. c 36 s 5078 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Construction Contingency Pool (92000007)

((The appropriation in this section is provided solely for allocation by the state board for community and technical colleges for major construction and renovation projects that confront emergent and unavoidable costs in excess of the construction contingency and management reserves included in the project appropriation. The board shall report at least quarterly to the office of financial management and the legislative capital budget committees on requests for and allocations from the pool.))

Appropriation:

State Building Construction Account--State ((~~\$3,076,000~~))

\$2,835,000

Gardner-Evans Higher Education Construction
Account--State \$263,000

Subtotal Appropriation ((~~\$3,339,000~~))

\$3,098,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$3,339,000~~))

\$3,098,000

Sec. 6084. 2010 1st sp.s. c 36 s 5080 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Centralia Community College - Science Building (20042850)

Reappropriation:

State Building Construction Account--State \$194,000

Gardner-Evans Higher Education Construction
Account--State ((~~\$2,737,000~~))

\$2,445,000

Subtotal Reappropriation ((~~\$2,931,000~~))

\$2,639,000

Prior Biennia (Expenditures) \$28,919,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$31,850,000~~))

\$31,558,000

Sec. 6085. 2009 c 497 s 5144 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls - Business and Social Science Building
(20051853)

Reappropriation:

Gardner-Evans Higher Education Construction

Account--State ((~~\$1,000,000~~))

\$416,000

Prior Biennia (Expenditures) \$19,313,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$20,313,000~~))

\$19,729,000

Sec. 6086. 2009 c 497 s 5161 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Infrastructure Savings (20061751)

Reappropriation:

Gardner-Evans Higher Education Construction

Account--State ((~~\$519,000~~))

\$402,000

Prior Biennia (Expenditures) \$2,197,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$2,716,000~~))

\$2,599,000

Sec. 6087. 2009 c 497 s 5228 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellingham Technical College - Fisheries Program (30000117)

Appropriation:

State Building Construction Account--State ((~~\$2,000,000~~))

\$0

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$2,000,000~~))

\$0

Sec. 6088. 2009 c 497 s 5216 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley College - Music and Arts Center (30000119)

Appropriation:

State Building Construction Account--State ((~~\$2,000,000~~))

\$311,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$2,000,000))

\$311,000

(End of part)

PART 7

BOND AUTHORIZATION

NEW SECTION. Sec. 7001. For the purpose of providing funds to finance the projects described and authorized by the legislature in the capital and operating appropriations acts for the 2009-2011 and 2011-2013 fiscal bienniums, and all costs incidental thereto, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of one billion one hundred twenty-two million dollars, or as much thereof as may be required, to finance these projects and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

NEW SECTION. Sec. 7002. (1) The proceeds from the sale of the bonds authorized in section 7001 of this act shall be deposited in the state building construction account created by RCW 43.83.020. The proceeds shall be transferred as follows:

(a) One billion seven million dollars to remain in the state building construction account created by RCW 43.83.020;

(b) Twenty million two hundred thousand dollars to the outdoor recreation account created by RCW 79A.25.060;

(c) Twenty million two hundred thousand dollars to the habitat conservation account created by RCW 79A.15.020;

(d) Eight hundred thousand dollars to the riparian protection account created by RCW 79A.15.120;

(e) Eight hundred thousand dollars to the farmlands preservation account created by RCW 79A.15.130;

(f) Fifty-one million dollars to the state taxable building construction account. All receipts from taxable bond issues are to be deposited into the account. If the state finance committee deems it necessary or advantageous to issue more than the amount specified in this subsection (1)(f) as taxable bonds in order to comply with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds or in order to reduce the total financing costs for bonds issued, the proceeds of such additional taxable bonds shall be transferred to the state taxable building construction account in lieu of any transfer otherwise provided by this section. If the state finance committee determines that a portion of the amount specified in this subsection (1)(f) as taxable bonds may be issued as nontaxable bonds in compliance with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds, then such bond proceeds shall be transferred to the state building construction account in lieu of the transfer to the state taxable building construction account otherwise provided by this subsection (1)(f). The state treasurer shall submit written notice to the director of financial management if it is determined that any such additional transfer to the state taxable building construction account is necessary or that a transfer from the state taxable building construction account to the state building construction account may be made. Moneys in the account may be spent only after appropriation.

(2) These proceeds shall be used exclusively for the purposes specified in this section and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this section, and shall be administered by the office of financial management subject to legislative appropriation.

NEW SECTION. Sec. 7003. (1) The debt-limit general fund bond retirement account shall be used for the payment of the principal

of and interest on the bonds authorized in section 7002(1) (a) through (f) of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 7002(1) (a) through (f) of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 7002(1) (a) through (f) of this act, the state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the debt-limit general fund bond retirement account an amount equal to the amount certified by the state finance committee to be due on the payment date.

NEW SECTION. Sec. 7004. (1) Bonds issued under sections 7001 through 7003 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 7005. The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 7001 of this act, and sections 7002 and 7003 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. Sec. 7006. A new section is added to chapter 43.99I RCW to read as follows:

If any bonds authorized in this chapter have not been issued by June 30, 2013, the authority of the state finance committee to issue such remaining unissued bonds shall expire June 30, 2013.

NEW SECTION. Sec. 7007. A new section is added to chapter 43.99N RCW to read as follows:

If any bonds authorized in this chapter have not been issued by June 30, 2013, the authority of the state finance committee to issue such remaining unissued bonds shall expire June 30, 2013.

NEW SECTION. Sec. 7008. A new section is added to chapter 43.99P RCW to read as follows:

If any bonds authorized in this chapter have not been issued by June 30, 2013, the authority of the state finance committee to issue such remaining unissued bonds shall expire June 30, 2013.

Sec. 7009. RCW 43.99Q.130 and 2009 c 500 s 10 are each amended to read as follows:

(1) For the purpose of providing funds for the planning, design, construction, and other necessary costs for the rehabilitation of the state legislative building, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of eighty-two million five hundred ten thousand dollars or as much thereof as may be required to finance the rehabilitation and improvements to the legislative building and all costs incidental thereto. The approved rehabilitation plan includes costs associated with earthquake repairs and future earthquake mitigation and allows for associated relocation costs and the acquisition of appropriate relocation space. Bonds authorized in this section may be sold at a price the state finance committee determines. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds. The proceeds of the sale of the bonds issued for the purposes of this section shall be deposited in the capitol historic district construction account hereby created in the state treasury. These proceeds shall be used exclusively for the purposes specified in this section and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this section, and shall be administered by

the office of financial management subject to legislative appropriation.

(2) If any bonds authorized in this chapter have not been issued by June 30, 2013, the authority of the state finance committee to issue such remaining unissued bonds shall expire June 30, 2013.

NEW SECTION. Sec. 7010. A new section is added to chapter 43.99Q RCW to read as follows:

If any bonds authorized pursuant to RCW 43.99Q.020(5) have not been issued by June 30, 2013, the authority of the state finance committee to issue such remaining unissued bonds shall expire June 30, 2013.

NEW SECTION. Sec. 7011. Sections 7001 through 7005 of this act constitute a new chapter in Title 43 RCW.

PART 8

MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 8001. (1) Allotments for appropriations in this act shall be provided in accordance with the capital project review requirements adopted by the office of financial management and in compliance with RCW 43.88.110. Projects that will be employing alternative public works construction procedures under chapter 39.10 RCW are subject to the allotment procedures defined in this section and RCW 43.88.110.

(2) Each project is defined as proposed in the legislative budget notes or in the governor's budget document.

NEW SECTION. Sec. 8002. To ensure that major construction projects are carried out in accordance with legislative and executive intent, appropriations in this act in excess of \$5,000,000 shall not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign. The predesign document shall include but not be limited to program, site, and cost analysis in accordance with the predesign manual adopted by the office of financial management. To improve monitoring of major construction projects, progress reports shall be submitted by the agency administering the project to the office of financial management and to the fiscal committees of the house of representatives and senate. Reports will be submitted on July 1st and December 31st each year in a format to be developed by the office of financial management.

NEW SECTION. Sec. 8003. (1) To ensure minor works appropriations are carried out in accordance with legislative intent, funds appropriated in this act shall not be allotted until project lists are on file at the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee. All projects must meet the criteria included in subsection (2)(a) of this section. Revisions to the lists must be filed with the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee and include an explanation of variances from the prior lists before funds may be expended on the revisions.

(2)(a) Minor works projects are single line appropriations that include multiple projects of a similar nature and that are valued between \$25,000 and \$1,000,000 each, with the exception of higher education minor works projects that may be valued up to \$2,000,000. These projects can generally be completed within two years of the appropriation with the funding provided. Agencies are prohibited from including projects on their minor works lists that are a phase of a larger project, and that if combined over a continuous period of time, would exceed \$1,000,000, or \$2,000,000 for higher education minor works projects. Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the above minor works categories.

(b) Minor works appropriations shall not be used for, among other things: Studies, except for technical or engineering reviews or designs that lead directly to and support a project on the same minor works list; planning; design outside the scope of work on a minor works list; moveable, temporary, and traditionally funded operating

equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; or to supplement funding for projects with funding shortfalls unless expressly authorized elsewhere in this act. The office of financial management may make an exception to the limitations described in this subsection (2)(b) for exigent circumstances after notifying the legislative fiscal committees and waiting ten days for comments by the legislature regarding the proposed exception.

(c) Minor works preservation projects may include program improvements of no more than twenty-five percent of the individual minor works preservation project cost.

(3) It is generally not the intent of the legislature to make future appropriations for capital expenditures or for maintenance and operating expenses for an acquisition project or a significant expansion project that is initiated through the minor works process and therefore does not receive a policy and fiscal analysis by the legislature. Minor works projects are intended to be one-time expenditures that do not require future state resources to complete.

NEW SECTION. Sec. 8004. (1) The office of financial management may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants.

(2) The office of financial management may find that an amount is in excess of the amount required for the completion of a project only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the intent is that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

(4) The office of financial management shall report any transfer effected under this section to the house of representatives capital budget committee, the senate ways and means committee, and the legislative evaluation and accountability program committee, at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer. The governor's capital budget request following any transfer shall reflect that transfer in the affected agency.

NEW SECTION. Sec. 8005. (1) It is expected that projects be ready to proceed in a timely manner depending on the type or phase of the project or program that is the subject of the appropriation in this act. Except for major projects that customarily may take more than two biennia to complete from predesign to the end of construction, or large infrastructure grant or loan programs supporting projects that often take more than two biennia to complete, the legislature generally does not intend to reappropriate funds more than once, particularly for smaller grant programs, local/community projects, and minor works.

(2) Agencies shall expedite the expenditure of reappropriations and appropriations in this act in order to: (a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d) provide additional employment opportunities associated with capital expenditures.

(3) To the extent feasible, agencies are directed to accelerate expenditure rates at their current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section.

NEW SECTION. Sec. 8006. State agencies, including institutions of higher education, shall allot and report full-time equivalent staff for capital projects in a manner comparable to staff reporting for operating expenditures.

NEW SECTION. Sec. 8007. Executive Order No. 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies and higher education institutions shall comply with the requirements set forth in this executive order.

NEW SECTION. Sec. 8008. PUGET SOUND PROTECTION AND RESTORATION

Consistent with RCW 90.71.340, when expending appropriations under this act that contribute to Puget Sound protection and recovery, agencies shall consult with the Puget Sound partnership to ensure that projects and expenditures are either in, or consistent with the 2020 action agenda. These consultations shall include the exchange of information on specific actions, projects, associated funding, performance measures, and other information necessary to track project implementation and ensure alignment with the action agenda. In situations where the Puget Sound partnership finds that a project is not in, or is not consistent with the action agenda Puget Sound partnership shall document this finding and report back to the governor and legislative fiscal committees.

NEW SECTION. Sec. 8009. FOR THE ARTS COMMISSION--ART WORK ALLOWANCE POOLING

(1) One-half of one percent of moneys appropriated in this act for original construction of school plant facilities may be expended for the purposes of RCW 28A.335.210. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the superintendent of public instruction and representatives of school district boards.

(2) One-half of one percent of moneys appropriated in this act for original construction or any major renovation or remodel work exceeding two hundred thousand dollars by colleges or universities may be expended for the purposes of RCW 28B.10.027. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the board of regents or trustees.

(3) One-half of one percent of moneys appropriated in this act for original construction of any public building by a state agency as defined in RCW 43.17.020 may be expended for the purposes of RCW 43.17.200. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the state agency.

(4) At least eighty-five percent of the moneys spent by the Washington state arts commission during the 2011-2013 biennium for the purposes of RCW 28A.335.210, 28B.10.027, and 43.17.200 must be expended solely for direct acquisition of works of art. The commission may use up to \$100,000 of this amount to conserve or maintain existing pieces in the state art collection pursuant to chapter 36, Laws of 2005.

NEW SECTION. Sec. 8010. To carry out the provisions of this act, the governor may assign responsibility for predesign, design, construction, and other related activities to any appropriate agency.

NEW SECTION. Sec. 8011. (1) Unless otherwise stated, for all appropriations under this act that require a match of nonstate money or in-kind contributions, the following requirement, consistent with RCW 43.88.150, shall apply: Expenditures of state money shall be timed so that the state share of project expenditures never exceeds the intended state share of total project costs.

(2) Provision of the full amount of required matching funds is not required to permit the expenditure of capital budget appropriations for phased projects if a proportional amount of the required matching funds is provided for each distinct, identifiable phase of the project.

NEW SECTION. Sec. 8012. SALARY ADJUSTMENT

The appropriations in this act shall be expended solely for the purposes designated in this act and are subject to the following conditions and limitations:

(1) Appropriations in this act are provided solely for a 3.0 percent salary reduction effective July 1, 2011, through June 29, 2013, for all employees of the executive, legislative, and judicial branches, including those employees in the Washington management service, and including employees exempt from merit system rules, except for:

(a) Elected officials whose salaries are set by the commission on salaries for elected officials;

(b) Student employees at state institutions of higher education;

(c) Faculty employees at state institutions of higher education: PROVIDED, HOWEVER, That appropriations to higher education institutions are reduced in an amount reflecting a 3.0 percent reduction in faculty salary expenditures;

(d) Certificated employees of the state school for the blind and the center for childhood deafness and hearing loss;

(e) Commissioned officers of the Washington state patrol represented by the state patrol troopers' association and the Washington state patrol lieutenants' association;

(f) Represented ferry workers of the Washington state department of transportation, provided, however, that other reductions are included in section 504 of the 2011-2013 transportation appropriations act;

(g) Employees whose salary is less than \$2,500 per month; and

(h) Employees as specified in subsection (2) of this section.

(2) For employees subject to the 3.0 percent reduction in salary under subsection (1) of this section employees will receive temporary salary reduction leave of up to 5.2 hours per month. The director of personnel shall adopt rules governing the accrual and use of temporary salary reduction leave.

(3) The department of retirement systems shall include any forgone salary or lost work hours under subsections (1) and (3) of this section in the final average compensation of employees affected for purposes of calculating retirement benefits, as specified in executive request legislation Z-0211.1/11.

(4) The appropriation from dedicated funds and accounts shall be made in the amounts specified and from the dedicated funds and accounts specified in office of financial management document 2011-01, which is hereby incorporated by reference. The office of financial management shall allocate the moneys appropriated in this section in the amounts specified and to the state agencies specified in office of financial management document 2011-01 and adjust appropriation schedules accordingly.

NEW SECTION. Sec. 8013. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 8014. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Representatives Dunshee and Warnick spoke in favor of the adoption of the amendment.

Amendment (856) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dunshee, Warnick, Ross, Lytton and Smith spoke in favor of the passage of the bill.

Representative Shea spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2020.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2020, and the bill passed the House by the following vote: Yeas, 84; Nays, 10; Absent, 0; Excused, 4.

Voting yea: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Chandler, Condotta, Dahlquist, Hinkle, Kristiansen, Rodne, Shea, Short, Taylor and Wilcox.

Excused: Representatives Anderson, Crouse, McCune and Overstreet.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2020, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1497, by Representatives Dunshee and Warnick

Adopting a 2011-2013 capital budget. Revised for 1st Substitute: Regarding the capital budget.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1497 was substituted for House Bill No. 1497 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1497 was read the second time.

With the consent of the house, amendments (751), (736), (696), (745), (753) and (738) were withdrawn.

Representative Dunshee moved the adoption of amendment (857).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) A capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2013, out of the several funds specified in this act.

(2) The definitions in this subsection apply throughout this act unless the context clearly requires otherwise.

(a) "Fiscal year 2012" or "FY 2012" means the period beginning July 1, 2011, and ending June 30, 2012.

(b) "Fiscal year 2013" or "FY 2013" means the period beginning July 1, 2012, and ending June 30, 2013.

(c) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(d) "Provided solely" means the specified amount may be spent only for the specified purpose.

(3) The appropriations in this act are appropriations for capital purposes from sources other than bond proceeds. Appropriations in this act may not necessarily represent all expenditures authorized for a particular project for the 2011-2013 fiscal biennium. For some projects receiving appropriations in this act, additional appropriations from other sources for those projects may also be contained in chapter, Laws of 2011 (House Bill No. 2020).

(4) Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(5) The amounts shown under the headings "Prior Biennia," "Future Biennia," and "Total" in this act are for informational purposes only and do not constitute legislative approval of these amounts. "Prior biennia" typically refers to the immediate prior biennium for reappropriations, but may refer to multiple biennia in the case of specific projects. A "future biennia" amount is an estimate of what may be appropriated for the project or program in the 2011-2013 biennium and the following three biennia; an amount of zero does not necessarily constitute legislative intent to not provide funding for the project or program in the future.

(6) "Reappropriations" in this act are appropriations and, unless the context clearly provides otherwise, are subject to the relevant conditions and limitations applicable to appropriations. Reappropriations shall be limited to the unexpended balances remaining on June 30, 2011, from the 2009-2011 biennial appropriations for each project.

PART 1

GENERAL GOVERNMENT

NEW SECTION. Sec. 1001. FOR THE DEPARTMENT OF COMMERCE

Rural Washington Loan Fund (19882002)

Reappropriation:

Rural Washington Loan Account--State	\$209,000
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Prior Biennia (Expenditures)	\$6,334,000
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Future Biennia (Projected Costs)	\$0
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TOTAL	\$6,543,000
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NEW SECTION. Sec. 1002. FOR THE DEPARTMENT OF COMMERCE

Drinking Water Assistance Account (20044002)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 130, chapter 26, Laws of 2003.

Reappropriation:

Drinking Water Assistance Repayment Account--State
\$764,000

Prior Biennia (Expenditures) \$15,936,000
Future Biennia (Projected Costs) \$0
TOTAL \$16,700,000

NEW SECTION. Sec. 1003. FOR THE DEPARTMENT OF COMMERCE

Drinking Water Assistance Program (20064003)

Reappropriation:

Drinking Water Assistance Repayment
Account--State \$13,508,000

Prior Biennia (Expenditures) \$16,372,000
Future Biennia (Projected Costs) \$0
TOTAL \$29,880,000

NEW SECTION. Sec. 1004. FOR THE DEPARTMENT OF COMMERCE

Rural Washington Loan Fund (20064010)

Reappropriation:

Rural Washington Loan Account--State \$2,658,000

Prior Biennia (Expenditures) \$1,469,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,127,000

NEW SECTION. Sec. 1005. FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (20064011)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 121, chapter 488, Laws of 2005.

Reappropriation:

Public Facility Construction Loan Revolving
Account--State \$2,165,000

Prior Biennia (Expenditures) \$18,284,000
Future Biennia (Projected Costs) \$0
TOTAL \$20,449,000

NEW SECTION. Sec. 1006. FOR THE DEPARTMENT OF COMMERCE

Drinking Water Assistance Program (20074004)

Reappropriation:

Drinking Water Assistance Account--State \$3,902,000
Drinking Water Assistance Repayment
Account--State \$21,100,000
Subtotal Reappropriation \$25,002,000

Prior Biennia (Expenditures) \$6,898,000
Future Biennia (Projected Costs) \$0
TOTAL \$31,900,000

NEW SECTION. Sec. 1007. FOR THE DEPARTMENT OF COMMERCE

Public Works Trust Fund (20074005)

Reappropriation:

Public Works Assistance Account--State \$100,000,000

Prior Biennia (Expenditures) \$32,000,000
Future Biennia (Projected Costs) \$0
TOTAL \$132,000,000

NEW SECTION. Sec. 1008. FOR THE DEPARTMENT OF COMMERCE

Rural Washington Loan Fund (20074008)

Reappropriation:

Rural Washington Loan Account--State \$1,856,000

Prior Biennia (Expenditures) \$171,000
Future Biennia (Projected Costs) \$0
TOTAL \$2,027,000

NEW SECTION. Sec. 1009. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, and Affordable Housing (20074009)

Reappropriation:

Washington Housing Trust Account--State \$2,209,000

Prior Biennia (Expenditures) \$11,091,000
Future Biennia (Projected Costs) \$0
TOTAL \$13,300,000

NEW SECTION. Sec. 1010. FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (20074015)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1028, chapter 520, Laws of 2007.

Reappropriation:

Public Facility Construction Loan Revolving
Account--State \$7,289,000

Prior Biennia (Expenditures) \$12,711,000
Future Biennia (Projected Costs) \$0
TOTAL \$20,000,000

NEW SECTION. Sec. 1011. FOR THE DEPARTMENT OF COMMERCE

Drinking Water State Revolving Fund Loan Program (30000005)

Reappropriation:

Drinking Water Assistance Account--State \$10,930,000
Drinking Water Assistance Repayment
Account--State \$31,201,000
Subtotal Reappropriation \$42,131,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$42,131,000

NEW SECTION. Sec. 1012. FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (30000010)

Reappropriation:

Public Facility Construction Loan Revolving
Account--State \$6,253,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$6,253,000

NEW SECTION. Sec. 1013. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, and Affordable Housing (30000013)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1012, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
 Washington Housing Trust Account--State \$9,199,000

Prior Biennia (Expenditures) \$801,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$10,000,000

NEW SECTION. Sec. 1014. FOR THE DEPARTMENT OF COMMERCE
 Energy Freedom Program (30000056)

Reappropriation:
 Energy Recovery Act Account--Federal Stimulus \$32,218,000

Prior Biennia (Expenditures) \$6,282,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$38,500,000

NEW SECTION. Sec. 1015. FOR THE DEPARTMENT OF COMMERCE
 Community Development Block Grants (91000011)

Reappropriation:
 General Fund--Federal Stimulus \$911,000

Prior Biennia (Expenditures) \$3,289,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,200,000

NEW SECTION. Sec. 1016. FOR THE DEPARTMENT OF COMMERCE
 Weatherization (91000013)

Reappropriation:
 General Fund--Federal Stimulus \$17,469,000

Prior Biennia (Expenditures) \$31,531,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$49,000,000

NEW SECTION. Sec. 1017. FOR THE DEPARTMENT OF COMMERCE
 Community Economic Revitalization Board - Export Assistance Grants and Loans (92000069)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1018, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:
 Public Facility Construction Loan Revolving Account--State \$2,965,000

Prior Biennia (Expenditures) \$35,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,000,000

NEW SECTION. Sec. 1018. FOR THE DEPARTMENT OF COMMERCE
 Drinking Water State Revolving Fund Loan Program (30000095)

The appropriations in this section are subject to the following conditions and limitations: For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade audit is obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade

audit. The project sponsor may finance the costs of the audit as part of its drinking water state revolving fund program loan.

Appropriation:
 Drinking Water Assistance Account--State \$16,000,000
 Drinking Water Assistance Repayment Account--State \$32,000,000
 Subtotal Appropriation \$48,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$192,000,000
 TOTAL \$240,000,000

NEW SECTION. Sec. 1019. FOR THE DEPARTMENT OF COMMERCE
 Community Economic Revitalization Board (30000097)

Appropriation:
 Public Facility Construction Loan Revolving Account--State \$5,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$20,000,000
 TOTAL \$25,000,000

NEW SECTION. Sec. 1020. FOR THE DEPARTMENT OF COMMERCE
 Clean Energy Partnership (30000175)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for implementation of the recommendations of the clean energy leadership council by providing state matching funds for projects that:

- (a) Integrate energy efficiency and renewable energy in buildings;
- (b) Integrate renewable energy into the regional electrical grid; or
- (c) Advance bioenergy in the state.

(2) State funding must not exceed fifty percent of the total program or project funds.

(3) The majority of companies involved in these projects must be companies that are located in Washington state.

(4) Eligible projects must:

- (a) Represent a substantially new solution that is not widely available today; and
- (b) Be designed to generate solutions that are applicable both inside and outside of the state.

Appropriation:
 Public Facility Construction Loan Revolving Account--State \$5,500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,500,000

NEW SECTION. Sec. 1021. FOR THE DEPARTMENT OF COMMERCE
 Public Works Assistance Account Program (30000103)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for the list of projects in LEAP capital document No. 2011-1D, developed May 24, 2011.

(2) For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade audit is obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade audit. The project sponsor may finance the costs of the audit as part of its public works assistance account loan.

(3) The public works board is directed to develop a more effective program for the efficient achievement of the goals of RCW 70.235.070. The board shall report to the legislature on this effort by January 1, 2012.

(4) For application rounds that occur during the 2011-2013 biennium, roads, streets, and bridges will not be eligible for funding from the public works assistance account.

Appropriation:

Public Works Assistance Account--State	\$324,585,000
Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	\$324,585,000

NEW SECTION. Sec. 1022. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Engineering and Architectural Services: Staffing (91000005)

Appropriation:

Charitable, Educational, Penal and Reformatory Institutions Account--State	\$928,000
Capitol Building Construction Account--State	\$790,000
Subtotal Appropriation	\$1,718,000

Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,718,000

NEW SECTION. Sec. 1023. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building Critical Hydronic Loop Repairs (30000584)

Appropriation:

Capitol Building Construction Account--State	\$1,179,000
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Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,179,000

NEW SECTION. Sec. 1024. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Capitol Lake Dredging (30000571)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to begin the process of seeking necessary permits to dredge and spot dredge excess sediments as required under all of the proposed long-term management strategies.

Appropriation:

State Toxics Control Account--State	\$200,000
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Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

NEW SECTION. Sec. 1025. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Reuse GA Building for Heritage Center, State Library, and State Patrol (92000003)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the preparation of an updated predesign for renovation of the "GA Building." Tenants in the renovated facility must include the Washington state heritage center, the Washington state library, the state patrol, and other possible state agency tenants. The Washington state heritage center shall occupy approximately 50,000 square feet, the Washington state library shall occupy approximately 50,000

square feet, and the state patrol and other state agencies shall occupy the remaining space. A small cafeteria with public space may be included in a part of the building that provides view of the Olympic Mountains, Budd Bay, and Capital Lake. The predesign must limit the scope of the project to a price that can be financed with the fund balance and expected annual revenue in the Washington state heritage center account and the current level lease payments of the tenants expected to move into the building at the time of occupancy. The department shall also review the suitability of the space in "OB2" that will be vacated by the department of information services for expanding archive storage space. The space in the renovated "GA Building" must be limited to the exhibition of historically significant documents from the state archives and may include online access to state archive records, and must not include permanent storage of state archive documents.

Appropriation:

Washington State Heritage Account--State	\$150,000
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Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	\$150,000

NEW SECTION. Sec. 1026. FOR THE MILITARY DEPARTMENT

Minor Works Preservation (30000002)

Reappropriation:

General Fund--Federal	\$5,633,000
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Prior Biennia (Expenditures)\$3,039,000	
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,672,000

NEW SECTION. Sec. 1027. FOR THE MILITARY DEPARTMENT

Minor Works Program (30000003)

Reappropriation:

General Fund--Federal	\$2,596,000
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Prior Biennia (Expenditures)\$543,000	
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,139,000

NEW SECTION. Sec. 1028. FOR THE MILITARY DEPARTMENT

Camp Murray New Primary Gate Entrance (30000482)

Reappropriation:

General Fund--Federal	\$2,994,000
Military Department Capital Account--State	\$1,435,000
Subtotal Reappropriation	\$4,429,000

Prior Biennia (Expenditures)\$498,000	
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,927,000

NEW SECTION. Sec. 1029. FOR THE MILITARY DEPARTMENT

Combined Support Maintenance Shop (20082006)

Reappropriation:

General Fund--Federal	\$4,736,000
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Appropriation:

General Fund--Federal	\$20,264,000
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Prior Biennia (Expenditures)\$0	
Future Biennia (Projected Costs)	\$0
TOTAL	\$25,000,000

NEW SECTION. Sec. 1030. FOR THE MILITARY DEPARTMENT

Minor Works Preservation (30000560)

Appropriation:

General Fund--Federal \$3,601,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$18,677,000
 TOTAL \$22,278,000

NEW SECTION. Sec. 1031. FOR THE MILITARY DEPARTMENT

Minor Works Program (30000561)

Appropriation:

General Fund--Federal \$9,958,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$59,273,000
 TOTAL \$69,231,000

(End of part)

PART 2**HUMAN SERVICES****NEW SECTION. Sec. 2001. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Minor Works Preservation: Facilities Preservation (30001291)

Appropriation:

Charitable, Educational, Penal and Reformatory
 Institutions Account--State \$1,214,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,214,000

NEW SECTION. Sec. 2002. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Frances Haddon Morgan Center (91000014)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the department of social and health services to develop a predesign with options for the future use of the Frances Haddon Morgan Center site, including the permanent use of the property to support housing or other services for low-income, disabled, or vulnerable persons. The predesign shall be delivered to the house of representatives fiscal committees and the senate ways and means committee by December 31, 2011. This predesign shall not delay any activities associated with ceasing to operate the facility as a residential habilitation center after December 31, 2012. On and after January 1, 2013, the Frances Haddon Morgan Center property must remain either in public ownership, or may be sold or leased for a nominal amount to a nonprofit organization for the permanent use of the property to support housing or other services for low-income, disabled, or vulnerable persons.

Appropriation:

Charitable, Educational, Penal and Reformatory
 Institutions Account--State \$150,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$150,000

NEW SECTION. Sec. 2003. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Yakima Valley School (91000016)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the department of social and health services to develop a predesign with options for the future use of the Yakima Valley School site, including the permanent use of the property to support housing or other services for low-income, disabled, or vulnerable persons. The predesign shall be delivered to the house of representatives fiscal committees and the senate ways and means committee by December 31, 2011. This predesign shall not delay any activities associated with ceasing to operate the facility as a residential habilitation center after December 31, 2012. On and after January 1, 2013, the Yakima Valley School property must remain either in public ownership, or may be sold or leased for a nominal amount to a nonprofit organization for the permanent use of the property to support housing or other services for low-income, disabled, or vulnerable persons.

Appropriation:

Charitable, Educational, Penal and Reformatory
 Institutions Account--State \$150,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$150,000

NEW SECTION. Sec. 2004. FOR THE DEPARTMENT OF HEALTH

Drinking Water Assistance Program (20064001)

Reappropriation:

Drinking Water Assistance Account--Federal \$16,652,000

Prior Biennia (Expenditures)\$77,944,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$94,596,000

NEW SECTION. Sec. 2005. FOR THE DEPARTMENT OF HEALTH

Drinking Water Assistance Program (30000013)

Reappropriation:

Drinking Water Assistance Account--Federal \$38,348,000
 Drinking Water Assistance Account--Federal
 Stimulus \$9,373,000
 Subtotal Reappropriation \$47,721,000

Appropriation:

Drinking Water Assistance Account--Federal \$49,868,000

Prior Biennia (Expenditures)\$29,089,000
 Future Biennia (Projected Costs) \$199,472,000
 TOTAL \$326,150,000

NEW SECTION. Sec. 2006. FOR THE DEPARTMENT OF VETERANS AFFAIRS

Minor Works Preservation: Facilities Preservation (90000001)

Appropriation:

Charitable, Educational, Penal and Reformatory
 Institutions Account--State \$2,722,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$7,728,000
 TOTAL \$10,450,000

NEW SECTION. Sec. 2007. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Labor and Industries Building Repairs and Renewal (30000014)

Appropriation:

Accident Account--State \$284,000
 Medical Aid Account--State \$283,000
 Subtotal Appropriation \$567,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$567,000
 (End of part)

PART 3**NATURAL RESOURCES****NEW SECTION. Sec. 3001. FOR THE DEPARTMENT OF ECOLOGY**

Low-Level Nuclear Waste Disposal Trench Closure (19972012)

Reappropriation:

Site Closure Account--State \$12,052,000

Prior Biennia (Expenditures)\$3,381,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,433,000

NEW SECTION. Sec. 3002. FOR THE DEPARTMENT OF ECOLOGY

State Drought Preparedness (20054009)

Reappropriation:

State Drought Preparedness Account--State \$300,000

Prior Biennia (Expenditures)\$15,052,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,352,000

NEW SECTION. Sec. 3003. FOR THE DEPARTMENT OF ECOLOGY

Motor Vehicle Mercury Removal Program (20062850)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 137, chapter 371, Laws of 2006.

Reappropriation:

State Toxics Control Account--State \$250,000

Prior Biennia (Expenditures)\$750,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3004. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Account (20064002)

Reappropriation:

Water Pollution Control Revolving Account--State \$11,025,000
 Water Pollution Control Revolving Account--Federal \$8,825,000
 Subtotal Reappropriation \$19,850,000

Prior Biennia (Expenditures)\$219,766,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$239,616,000

NEW SECTION. Sec. 3005. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (20064007)

Reappropriation:

Water Quality Capital Account--State \$502,000

Prior Biennia (Expenditures)\$22,448,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$22,950,000

NEW SECTION. Sec. 3006. FOR THE DEPARTMENT OF ECOLOGY

Puget Sound Aquatic Cleanup and Restoration (20084004)

Reappropriation:

State Toxics Control Account--State \$1,267,000

Prior Biennia (Expenditures)\$3,733,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3007. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (20084010)

Reappropriation:

Water Quality Capital Account--State \$1,024,000

Prior Biennia (Expenditures)\$7,432,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$8,456,000

NEW SECTION. Sec. 3008. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Loan Program (20084011)

Reappropriation:

Water Pollution Control Revolving Account--State \$18,878,000
 Water Pollution Control Revolving Account--Federal \$21,988,000
 Subtotal Reappropriation \$40,866,000

Prior Biennia (Expenditures)\$99,134,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$140,000,000

NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY

Mason County Consortium (20084851)

Reappropriation:

State Toxics Control Account--State \$500,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$500,000

NEW SECTION. Sec. 3010. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Fund Program (30000007)

Reappropriation:

Water Pollution Control Revolving Account--State \$48,342,000
 Water Pollution Control Revolving Account--Federal \$39,475,000
 Water Pollution Control Revolving Account--Federal Stimulus \$18,050,000
 Subtotal Reappropriation \$105,867,000

Prior Biennia (Expenditures)\$72,833,000

Future Biennia (Projected Costs) \$0
 TOTAL \$178,700,000

NEW SECTION. Sec. 3011. FOR THE DEPARTMENT OF ECOLOGY

Cleanup and Prevention of Waste Tire Piles (30000012)

Reappropriation:

Waste Tire Removal Account--State \$100,000

Prior Biennia (Expenditures) \$900,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3012. FOR THE DEPARTMENT OF ECOLOGY

Safe Soils Remediation Program (30000019)

Reappropriation:

Cleanup Settlement Account--State \$1,520,000

Prior Biennia (Expenditures) \$769,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,289,000

NEW SECTION. Sec. 3013. FOR THE DEPARTMENT OF ECOLOGY

Skykomish Cleanup and Restoration (30000020)

Reappropriation:

Cleanup Settlement Account--State \$816,000

Prior Biennia (Expenditures) \$1,234,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,050,000

NEW SECTION. Sec. 3014. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program (30000039)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3006, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

Local Toxics Control Account--State \$34,687,000

Prior Biennia (Expenditures) \$3,524,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$38,211,000

NEW SECTION. Sec. 3015. FOR THE DEPARTMENT OF ECOLOGY

Storm Water Retrofit and Low-Impact Development Grant Program (30000097)

The reappropriations in this section are subject to the following terms and conditions: The reappropriation is subject to the provisions of section 3005, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

State and Local Improvements Revolving Account--State \$1,284,000

State and Local Improvements Revolving Account--Waste Facilities 1980--State \$325,000

State Toxics Control Account--State \$15,343,000

Local Toxics Control Account--State \$6,080,000

Subtotal Reappropriation \$23,032,000

Prior Biennia (Expenditures) \$1,243,000

Future Biennia (Projected Costs) \$0

TOTAL \$24,275,000

NEW SECTION. Sec. 3016. FOR THE DEPARTMENT OF ECOLOGY

Reducing Diesel Particle Emissions in Tacoma (30000139)

Reappropriation:

Air Pollution Control Account--State \$996,000

Prior Biennia (Expenditures) \$4,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3017. FOR THE DEPARTMENT OF ECOLOGY

Diesel Emissions Reduction (91000003)

Reappropriation:

General Fund--Federal ARRA \$380,000

Prior Biennia (Expenditures) \$1,350,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,730,000

NEW SECTION. Sec. 3018. FOR THE DEPARTMENT OF ECOLOGY

Diesel Emissions Reduction (91000024)

Reappropriation:

General Fund--Federal \$347,000

Prior Biennia (Expenditures) \$6,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$353,000

NEW SECTION. Sec. 3019. FOR THE DEPARTMENT OF ECOLOGY

Reducing Wood Smoke Particle Emissions in Tacoma (30000140)

Reappropriation:

Air Pollution Control Account--State \$300,000

Prior Biennia (Expenditures) \$300,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$600,000

NEW SECTION. Sec. 3020. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Fund Program (30000142)

Reappropriation:

Water Pollution Control Revolving Account--State \$23,750,000

Water Pollution Control Revolving Account--Federal \$11,400,000

Subtotal Reappropriation \$35,150,000

Prior Biennia (Expenditures) \$1,850,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$37,000,000

NEW SECTION. Sec. 3021. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxic Sites - Puget Sound (30000144)

The reappropriation in this section is subject to the following conditions and limitations: Up to \$17,500,000 of the cleanup settlement account--state appropriation may be used for cleanup activities associated with the Asarco contamination in Everett.

Reappropriation:

Cleanup Settlement Account--State	\$18,300,000
State Toxics Control Account--State	\$20,495,000
Subtotal Reappropriation	\$38,795,000

Prior Biennia (Expenditures)	\$1,892,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$40,687,000

NEW SECTION. Sec. 3022. FOR THE DEPARTMENT OF ECOLOGY

Settlement Funding To Clean Up Toxic Sites (30000145)

Reappropriation:

Cleanup Settlement Account--State	\$7,502,000
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Prior Biennia (Expenditures)	\$998,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$8,500,000

NEW SECTION. Sec. 3023. FOR THE DEPARTMENT OF ECOLOGY

Leaking Underground Tanks (91000002)

Reappropriation:

General Fund--Federal Stimulus	\$1,118,000
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Prior Biennia (Expenditures)	\$2,382,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,500,000

NEW SECTION. Sec. 3024. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program (30000208)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,500,000 of the appropriation is provided solely to the city of Snohomish to implement the near-term wastewater treatment plant improvement project required under agreed order No. 7973 between the department of ecology and the city.

(2) \$3,500,000 of the appropriation is provided solely for a grant for the Freeland sewer project.

(3) \$540,000 of the appropriation is provided solely for the city of Connell's Klindworth Campbell waterline distribution project.

(4) \$600,000 of the appropriation is provided solely for a grant for the town of Mabton's wastewater treatment project.

(5) For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade audit is obtainable, the department of ecology must require as a contract condition that the project sponsor undertake an investment grade audit. The project sponsor may finance the costs of the audit as part of its centennial clean water program grant.

Appropriation:

State Toxics Control Account--State	\$34,100,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$34,100,000

NEW SECTION. Sec. 3025. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Fund Program (30000209)

The appropriations in this section are subject to the following conditions and limitations: For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade audit is obtainable, the department of ecology must require as a contract condition that the project sponsor undertake an investment grade

audit. The project sponsor may finance the costs of the audit as part of its water pollution control revolving fund program loan.

Appropriation:

Water Pollution Control Revolving Account--State	\$102,000,000
Water Pollution Control Revolving Account--Federal	\$82,205,000
Subtotal Appropriation	\$184,205,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$736,820,000
TOTAL	\$921,025,000

NEW SECTION. Sec. 3026. FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Pile Prevention and Cleanup (30000210)

Appropriation:

Waste Tire Removal Account--State	\$1,000,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 3027. FOR THE DEPARTMENT OF ECOLOGY

Wood Stove Pollution Reduction (30000211)

Appropriation:

Local Toxics Control Account--State	\$3,000,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,000,000
TOTAL	\$7,000,000

NEW SECTION. Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY

Diesel Emissions Reduction (30000212)

Appropriation:

Local Toxics Control Account--State	\$7,000,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,000,000
TOTAL	\$12,000,000

NEW SECTION. Sec. 3029. FOR THE DEPARTMENT OF ECOLOGY

Coordinated Prevention Grants (30000214)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$4,000,000 of the appropriation is provided solely for grants to local governments for local waste and pollution prevention projects. Grants shall fund new organics composting and conversion, green building, and moderate risk waste initiatives described in the state "beyond waste" plan.

(2) Up to \$2,000,000 of the appropriation may be used for grants to local governments to provide alternatives to backyard burning of organic materials. Priority for these grants shall be given to: (a) Urban growth areas of less than 5,000 people affected by the January 1, 2007, ban on outdoor burning; (b) projects that develop infrastructure for an ongoing program; and (c) projects that coordinate regionally.

Appropriation:

Local Toxics Control Account--State	\$28,610,000
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Prior Biennia (Expenditures)	\$0
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Future Biennia (Projected Costs) \$114,440,000
 TOTAL \$143,050,000

NEW SECTION. Sec. 3030. FOR THE DEPARTMENT OF ECOLOGY

Hood Canal Regional Septic Repair Loan Program (30000215)

Appropriation:

General Fund--Federal \$2,500,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,500,000

NEW SECTION. Sec. 3031. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program (30000216)

Appropriation:

Local Toxics Control Account--State \$63,834,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$11,235,000
 TOTAL \$75,069,000

NEW SECTION. Sec. 3032. FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites Initiative (30000217)

Appropriation:

State Toxics Control Account--State \$6,000,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,000,000

NEW SECTION. Sec. 3033. FOR THE DEPARTMENT OF ECOLOGY

Burlington Northern Santa Fe Skykomish Restoration (30000218)

Appropriation:

Cleanup Settlement Account--State \$284,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$284,000

NEW SECTION. Sec. 3034. FOR THE DEPARTMENT OF ECOLOGY

Safe Soils Remediation Program - Central Washington (30000263)

Appropriation:

State Toxics Control Account--State \$3,711,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,711,000

NEW SECTION. Sec. 3035. FOR THE DEPARTMENT OF ECOLOGY

Swift Creek Natural Asbestos Cleanup (30000015)

Appropriation:

General Fund--Federal \$1,000,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3036. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound (30000265)

Appropriation:

Local Toxics Control Account--State \$16,400,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$11,248,000
 TOTAL \$27,648,000

NEW SECTION. Sec. 3037. FOR THE DEPARTMENT OF ECOLOGY

ASARCO - Tacoma Smelter Plume and Mines (30000280)

Appropriation:

Cleanup Settlement Account--State \$20,647,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$20,647,000

NEW SECTION. Sec. 3038. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Boat Launch (30000281)

Appropriation:

General Fund--Federal \$320,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$320,000

NEW SECTION. Sec. 3039. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects (30000282)

Appropriation:

General Fund--Federal \$800,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$800,000

NEW SECTION. Sec. 3040. FOR THE DEPARTMENT OF ECOLOGY

Coastal Wetlands Federal Funds Administration (30000283)

Appropriation:

General Fund--Federal \$23,200,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$40,000,000
 TOTAL \$63,200,000

NEW SECTION. Sec. 3041. FOR THE DEPARTMENT OF ECOLOGY

Statewide Storm Water Projects (30000294)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for construction projects or design/construction projects statewide that result in the greatest improvements necessary to meet national pollution discharge elimination system requirements for communities least able to pay for those projects or for jurisdictions who are early adopters of new regulations and effective new technology. The department must develop specific evaluative criteria to award grants on a competitive basis to projects that meet the policy objectives in this section, demonstrate readiness to proceed and have a minimum cash match of twenty-five percent.

Appropriation:

Local Toxics Control Account--State \$30,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$30,000,000

NEW SECTION. Sec. 3042. FOR THE STATE PARKS AND RECREATION COMMISSION

Rocky Reach - Chelan County Public Utility District (20061023)

Reappropriation:

Parks Renewal and Stewardship Account--Private/
 Local \$500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$500,000

NEW SECTION. Sec. 3043. FOR THE STATE PARKS AND RECREATION COMMISSION

Ike Kinswa State Park Improvement (20082950)

Reappropriation:

Parks Renewal and Stewardship Account--Private/
 Local \$500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$500,000

NEW SECTION. Sec. 3044. FOR THE STATE PARKS AND RECREATION COMMISSION

Clean Vessel Boating Pumpout Grants (30000665)

Appropriation:

General Fund--Federal \$3,300,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$12,000,000
 TOTAL \$15,300,000

NEW SECTION. Sec. 3045. FOR THE STATE PARKS AND RECREATION COMMISSION

Parkland Account Authority (91000016)

The appropriation in this section is subject to the following conditions and limitations: The state parks and recreation commission shall provide lists of potential purchases and sales to the office of financial management and the appropriate policy and fiscal committees of the legislature prior to committing the state parks and recreation commission to any sale or purchase of land or buildings and prior to any allotments made for those purchases. The list shall include any potential operating or capital cost impacts known to the state parks and recreation commission.

Appropriation:

Parkland Acquisition Account--State \$2,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,000,000

NEW SECTION. Sec. 3046. FOR THE STATE PARKS AND RECREATION COMMISSION

Federal Grant Authority (30000768)

Appropriation:

General Fund--Federal \$750,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$3,000,000
 TOTAL \$3,750,000

NEW SECTION. Sec. 3047. FOR THE STATE PARKS AND RECREATION COMMISSION

Local Grant Authority (30000769)

Appropriation:

Parks Renewal and Stewardship Account--Private/
 Local \$750,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$3,000,000
 TOTAL \$3,750,000

NEW SECTION. Sec. 3048. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (20044001)

Reappropriation:

General Fund--Federal \$6,892,000

Prior Biennia (Expenditures) \$27,483,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$34,375,000

NEW SECTION. Sec. 3049. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (20064001)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 403, chapter 488, Laws of 2005.

Reappropriation:

General Fund--Federal \$11,045,000

Prior Biennia (Expenditures) \$32,955,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$44,000,000

NEW SECTION. Sec. 3050. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Facilities Program (20064003)

Reappropriation:

Recreation Resources Account--State \$377,000

Prior Biennia (Expenditures) \$6,894,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$7,271,000

NEW SECTION. Sec. 3051. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Nonhighway and Off-Road Vehicle Activities Program (20064004)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 170, chapter 371, Laws of 2006.

Reappropriation:

NOVA Program Account--State \$986,000

Prior Biennia (Expenditures) \$6,593,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$7,579,000

NEW SECTION. Sec. 3052. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Facilities Program (20084001)

Reappropriation:

Recreation Resources Account--State \$2,620,000

Prior Biennia (Expenditures) \$5,401,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$8,021,000

NEW SECTION. Sec. 3053. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Firearms and Archery Range Recreation (20084003)

Reappropriation:

Firearms Range Account--State \$284,000

Prior Biennia (Expenditures) \$188,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$472,000

NEW SECTION. Sec. 3054. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Nonhighway and Off-Road Vehicle Activities Program (20084008)

Reappropriation:

NOVA Program Account--State \$3,534,000

Prior Biennia (Expenditures) \$5,502,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$9,036,000

NEW SECTION. Sec. 3055. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (20084851)

Reappropriation:

General Fund--Federal \$11,591,000

Prior Biennia (Expenditures) \$30,409,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$42,000,000

NEW SECTION. Sec. 3056. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (30000003)

Reappropriation:

General Fund--Federal \$52,015,000

Prior Biennia (Expenditures) \$7,985,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$60,000,000

NEW SECTION. Sec. 3057. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Land and Water Conservation Fund (30000005)

Reappropriation:

General Fund--Federal \$3,877,000

Prior Biennia (Expenditures) \$123,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,000,000

NEW SECTION. Sec. 3058. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Aquatic Lands Enhancement Account (30000007)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for the list of projects in LEAP capital document No. 2009-3, developed March 9, 2009.

Reappropriation:

Aquatic Lands Enhancement Account--State \$1,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3059. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Firearms and Archery Range Recreation (30000009)

Reappropriation:

Firearms Range Account--State \$419,000

Prior Biennia (Expenditures) \$76,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$495,000

NEW SECTION. Sec. 3060. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Improvement Grants (30000010)

Reappropriation:

General Fund--Federal \$948,000

Prior Biennia (Expenditures) \$52,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 3061. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

National Recreational Trails Program (30000012)

Reappropriation:

General Fund--Federal \$3,045,000

Prior Biennia (Expenditures) \$955,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,000,000

NEW SECTION. Sec. 3062. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (30000140)

Appropriation:

General Fund--Federal \$60,000,000
 Salmon Recovery Account--State \$62,000
 Subtotal Appropriation \$60,062,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$240,248,000
 TOTAL \$300,310,000

NEW SECTION. Sec. 3063. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Land and Water Conservation Fund (30000142)

Appropriation:

General Fund--Federal \$4,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$16,000,000
 TOTAL \$20,000,000

NEW SECTION. Sec. 3064. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Firearms and Archery Range Recreation (30000144)

Appropriation:

Firearms Range Account--State \$365,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$1,412,000
 TOTAL \$1,777,000

NEW SECTION. Sec. 3065. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Improvement Grants (30000145)

Appropriation:

General Fund--Federal \$2,100,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$8,000,000

TOTAL \$10,100,000

NEW SECTION. Sec. 3066. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Facilities Program (30000138)

Appropriation:

Recreation Resources Account--State \$8,000,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$32,000,000

TOTAL \$40,000,000

NEW SECTION. Sec. 3067. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Nonhighway and Off-Road Vehicle Activities Program (30000141)

The appropriation in this section is subject to the following conditions and limitations: The board shall work with its existing stakeholder groups to suggest priorities and procedures for the use of any funds diverted during the 2009-2011 biennium which in future years might be restored to the program. Established allocations among recreation users shall be respected. Special consideration shall be given to funding of the Reiter Foothills forest recreation motorized trail system, recreation projects of statewide significance, or recreation projects that would enhance destination facilities.

Appropriation:

NOVA Program Account--State \$5,500,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$22,000,000

TOTAL \$27,500,000

NEW SECTION. Sec. 3068. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Recreational Trails Program (30000146)

Appropriation:

General Fund--Federal \$5,000,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$20,000,000

TOTAL \$25,000,000

NEW SECTION. Sec. 3069. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Family Forest Fish Passage Program (30000203)

Appropriation:

General Fund--Federal \$15,000,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$30,000,000

TOTAL \$45,000,000

NEW SECTION. Sec. 3070. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Aquatic Lands Enhancement Account (30000143)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for the list of projects in LEAP capital document No. 2011-3B, developed April 6, 2011.

Appropriation:

Aquatic Lands Enhancement Account--State \$6,806,000

Prior Biennia (Expenditures)\$0

Future Biennia (Projected Costs) \$0

TOTAL \$6,806,000

NEW SECTION. Sec. 3071. FOR THE STATE CONSERVATION COMMISSION

Conservation Reserve Enhancement Program - Practice Incentive Payment Loan Program (30000005)

Reappropriation:

Conservation Assistance Revolving Account--State \$259,000

Appropriation:

Conservation Assistance Revolving Account--State \$150,000

Prior Biennia (Expenditures)\$141,000

Future Biennia (Projected Costs) \$600,000

TOTAL \$1,150,000

NEW SECTION. Sec. 3072. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Puget Sound Initiative - Nearshore Salmon Restoration (20062001)

Reappropriation:

General Fund--Federal \$945,000

Prior Biennia (Expenditures)\$855,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,800,000

NEW SECTION. Sec. 3073. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Migratory Waterfowl Habitat (20082045)

Reappropriation:

State Wildlife Account--State \$745,000

Appropriation:

State Wildlife Account--State \$600,000

Prior Biennia (Expenditures)\$505,000

Future Biennia (Projected Costs) \$2,400,000

TOTAL \$4,250,000

NEW SECTION. Sec. 3074. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Puget Sound General Investigation for Nearshore Restoration (92000025)

Reappropriation:

State Toxics Control Account--State \$1,023,000

Prior Biennia (Expenditures)\$7,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,030,000

NEW SECTION. Sec. 3075. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Mitigation Projects and Dedicated Funding (20082048)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations in this section are

provided contingent upon the department providing advance notice to the appropriate fiscal committees of the legislature and the office of financial management before applying for federal grants for acquisition of fish and wildlife habitat lands. The department shall submit this information in the form of a report that explains the funding source, the match and use requirements, a description of the project that will be funded, and a description of future impacts to the operating budget.

Reappropriation:

General Fund--Federal	\$25,411,000
General Fund--Private/Local	\$4,802,000
Special Wildlife Account--Federal	\$1,533,000
Special Wildlife Account--Private/Local	\$1,209,000
Subtotal Reappropriation	\$32,955,000

Appropriation:

General Fund--Federal	\$30,600,000
General Fund--Private/Local	\$2,500,000
State Wildlife Account--State	\$500,000
Special Wildlife Account--Federal	\$800,000
Special Wildlife Account--Private/Local	\$1,450,000
Subtotal Appropriation	\$35,850,000

Prior Biennia (Expenditures)	\$30,170,000
Future Biennia (Projected Costs)	\$121,000,000
TOTAL	\$219,975,000

NEW SECTION. Sec. 3076. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Mitchell Act Federal Grant (91000021)

Reappropriation:

General Fund--Federal	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 3077. FOR THE PUGET SOUND PARTNERSHIP

Community Partnership Restoration Grants (30000007)

Appropriation:

General Fund--Federal	\$3,950,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,950,000

NEW SECTION. Sec. 3078. FOR THE PUGET SOUND PARTNERSHIP

Community Partnership Restoration Grants (30000008)

Reappropriation:

General Fund--Federal	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 3079. FOR THE DEPARTMENT OF NATURAL RESOURCES

Land Acquisition Grants (20052021)

Reappropriation:

General Fund--Federal	\$47,882,000
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Appropriation:

General Fund--Federal	\$8,000,000
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Prior Biennia (Expenditures)	\$24,636,000
Future Biennia (Projected Costs)	\$32,000,000
TOTAL	\$112,518,000

NEW SECTION. Sec. 3080. FOR THE DEPARTMENT OF NATURAL RESOURCES

Marine Station (20081015)

Reappropriation:

Resources Management Cost Account--State	\$524,000
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Prior Biennia (Expenditures)	\$226,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 3081. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Legacy (30000060)

Reappropriation:

General Fund--Federal	\$6,524,000
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Appropriation:

General Fund--Federal	\$5,000,000
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Prior Biennia (Expenditures)	\$2,476,000
Future Biennia (Projected Costs)	\$20,000,000
TOTAL	\$34,000,000

NEW SECTION. Sec. 3082. FOR THE DEPARTMENT OF NATURAL RESOURCES

Hazardous Fuels Reduction, Forest Health, and Ecosystem Improvement (91000001)

Reappropriation:

General Fund--Federal Stimulus	\$18,994,000
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Prior Biennia (Expenditures)	\$1,006,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,000,000

NEW SECTION. Sec. 3083. FOR THE DEPARTMENT OF NATURAL RESOURCES

Elk River Estuarine Lands Acquisition (91000007)

Reappropriation:

General Fund--Federal	\$1,000,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 3084. FOR THE DEPARTMENT OF NATURAL RESOURCES

Minor Works: Preservation (30000202)

Appropriation:

Forest Development Account--State	\$446,000
Resources Management Cost Account--State	\$474,000
Subtotal Appropriation	\$920,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$3,680,000
TOTAL	\$4,600,000

NEW SECTION. Sec. 3085. FOR THE DEPARTMENT OF NATURAL RESOURCES

Land Bank (30000205)

The appropriation in this section is subject to the following conditions and limitations: The department shall consult with an agricultural economist with expertise in the fruit growing sector at the Washington State University college of agriculture to review existing

policy and recommend changes in the management of trust lands in agricultural production to increase long-term benefits to trust beneficiaries. A report of the review must be submitted to the appropriate committees of the legislature by December 1, 2011.

Appropriation:

Resources Management Cost Account--State	\$25,000,000
Natural Resources Real Property	
Replacement Account--State	\$50,000,000
Community and Technical College Forest	
Reserve Account--State	\$500,000
Subtotal Appropriation	\$75,500,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$302,000,000
TOTAL	\$377,500,000

(End of part)

**PART 4
TRANSPORTATION**

NEW SECTION. Sec. 4001. FOR THE WASHINGTON STATE PATROL

Fire Training Academy Burn Building (91000003)

Appropriation:

Fire Service Training Account--State	\$100,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$100,000

NEW SECTION. Sec. 4002. FOR THE WASHINGTON STATE PATROL

Fire Training Academy Burn Building Repairs (91000002)

Reappropriation:

Fire Service Training Account--State	\$300,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$300,000

(End of part)

**PART 5
EDUCATION**

NEW SECTION. Sec. 5001. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2007-09 School Construction Assistance Grant Program (20084200)

The reappropriation in this section is subject to the following conditions and limitations: For school construction projects funded through the school construction assistance grant program, the superintendent of public instruction shall require mapping the design of new facilities and remapping the design of facilities to be remodeled.

Reappropriation:

Common School Construction Account--State	\$15,260,000
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Prior Biennia (Expenditures)	\$776,499,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$791,759,000

NEW SECTION. Sec. 5002. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2009-11 School Construction Assistance Grant Program (30000031)

Reappropriation:

Common School Construction Account--State	\$85,000,000
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Prior Biennia (Expenditures)	\$117,526,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$202,526,000

NEW SECTION. Sec. 5003. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2011-13 School Construction Assistance Program (30000071)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,337,000 of the common school construction account--state appropriation is provided solely for study and survey grants and for completing inventory and building condition assessments for all public school districts once every six years.

(2) In calculating square foot eligibility for state assistance grants, kindergarten student headcount shall not be reduced by fifty percent.

(3) \$952,000 of the common school construction account--state appropriation is provided solely for mapping the design of new facilities and remapping the design of facilities to be remodeled, for school construction projects funded through the school construction assistance program.

Appropriation:

Common School Construction Account--State	\$314,960,000
Common School Construction Account--Federal	\$600,000
Subtotal Appropriation	\$315,560,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$1,351,581,000
TOTAL	\$1,667,141,000

NEW SECTION. Sec. 5004. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Capital Program Administration (30000095)

Appropriation:

Common School Construction Account--State	\$3,851,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$16,111,000
TOTAL	\$19,962,000

NEW SECTION. Sec. 5005. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Pre-Disaster Mitigation Planning Grant (91000011)

Appropriation:

General Fund--Federal	\$800,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$800,000

NEW SECTION. Sec. 5006. FOR THE STATE SCHOOL FOR THE BLIND

General Campus Preservation (30000018)

Appropriation:

Charitable, Educational, Penal and Reformatory	
Institutions Account--State	\$550,000

Prior Biennia (Expenditures)	\$0
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Future Biennia (Projected Costs) \$2,557,000
 TOTAL \$3,107,000

NEW SECTION. Sec. 5007. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

Minor Public Works (30000013)

Appropriation:

Charitable, Educational, Penal and Reformatory
 Institutions Account--State \$536,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$3,811,000
 TOTAL \$4,347,000

NEW SECTION. Sec. 5008. FOR THE UNIVERSITY OF WASHINGTON

University of Washington Tacoma-Soils Remediation (20082852)

Reappropriation:

State Toxics Control Account--State \$1,000,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 5009. FOR THE UNIVERSITY OF WASHINGTON

University of Washington Tacoma-Land Acquisition (20092003)

Reappropriation:

University of Washington Building Account--State \$425,000

Prior Biennia (Expenditures)\$3,575,000
 Future Biennia (Projected Costs) \$15,000,000
 TOTAL \$19,000,000

NEW SECTION. Sec. 5010. FOR THE UNIVERSITY OF WASHINGTON

Safe Campus (30000022)

Reappropriation:

University of Washington Building Account--State \$500,000

Prior Biennia (Expenditures)\$7,500,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$8,000,000

NEW SECTION. Sec. 5011. FOR THE UNIVERSITY OF WASHINGTON

Minor Works: Facility Preservation (30000027)

Reappropriation:

University of Washington Building Account--State \$9,596,000

Prior Biennia (Expenditures)\$5,444,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,040,000

NEW SECTION. Sec. 5012. FOR THE UNIVERSITY OF WASHINGTON

University of Washington - Minor Capital Repairs (30000372)

Appropriation:

University of Washington Building Account--State \$27,801,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$30,000,000
 TOTAL \$57,801,000

NEW SECTION. Sec. 5013. FOR THE UNIVERSITY OF WASHINGTON

Preventive Facility Maintenance and Building System Repairs (30000480)

Appropriation:

University of Washington Building Account--State \$25,825,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$103,300,000
 TOTAL \$129,125,000

NEW SECTION. Sec. 5014. FOR THE WASHINGTON STATE UNIVERSITY

Washington State University Spokane - Riverpoint Biomedical and Health Sciences (20162953)

Appropriation:

Washington State University Building Account--State \$3,770,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,770,000

NEW SECTION. Sec. 5015. FOR THE WASHINGTON STATE UNIVERSITY

Minor Works: Preservation (30000065)

Reappropriation:

Washington State University Building Account--State \$687,000

Prior Biennia (Expenditures)\$1,538,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,225,000

NEW SECTION. Sec. 5016. FOR THE WASHINGTON STATE UNIVERSITY

Minor Works: Preservation (30000525)

Appropriation:

Washington State University Building Account--State \$24,315,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$89,960,000
 TOTAL \$114,275,000

NEW SECTION. Sec. 5017. FOR THE WASHINGTON STATE UNIVERSITY

Clean Technology Laboratory (30000069)

Appropriation:

Washington State University Building Account--State \$2,500,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs) \$61,213,000
 TOTAL \$63,713,000

NEW SECTION. Sec. 5018. FOR THE WASHINGTON STATE UNIVERSITY

Washington State University Pullman - Agricultural Animal Health Research Facility (30000514)

Appropriation:

Washington State University Building Account--
State \$250,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$23,096,000
TOTAL \$23,346,000

NEW SECTION. Sec. 5019. FOR THE WASHINGTON STATE UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (30000823)

Appropriation:

Washington State University Building Account--
State \$10,115,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$40,460,000
TOTAL \$50,575,000

NEW SECTION. Sec. 5020. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works: Facility Preservation (30000054)

Reappropriation:

Eastern Washington University Capital Projects
Account--State \$113,000

Prior Biennia (Expenditures) \$2,887,000
Future Biennia (Projected Costs) \$0
TOTAL \$3,000,000

NEW SECTION. Sec. 5021. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works: Program (30000056)

Reappropriation:

Eastern Washington University Capital Projects
Account--State \$1,153,000

Prior Biennia (Expenditures) \$2,153,000
Future Biennia (Projected Costs) \$0
TOTAL \$3,306,000

NEW SECTION. Sec. 5022. FOR THE EASTERN WASHINGTON UNIVERSITY

Minor Works: Preservation (30000427)

Appropriation:

Eastern Washington University Capital Projects
Account--State \$9,205,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$9,205,000

NEW SECTION. Sec. 5023. FOR THE EASTERN WASHINGTON UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (30000431)

Appropriation:

Eastern Washington University Capital Projects
Account--State \$2,217,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$8,868,000
TOTAL \$11,085,000

NEW SECTION. Sec. 5024. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works: Health, Safety, and Code Requirements (30000002)

Reappropriation:

Central Washington University Capital Projects
Account--State \$130,000

Prior Biennia (Expenditures) \$570,000
Future Biennia (Projected Costs) \$0
TOTAL \$700,000

NEW SECTION. Sec. 5025. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works: Infrastructure Preservation (30000009)

Reappropriation:

Central Washington University Capital Projects
Account--State \$1,100,000

Prior Biennia (Expenditures) \$1,039,000
Future Biennia (Projected Costs) \$0
TOTAL \$2,139,000

NEW SECTION. Sec. 5026. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works: Facility Preservation (30000016)

Reappropriation:

Central Washington University Capital Projects
Account--State \$1,244,000

Prior Biennia (Expenditures) \$1,366,000
Future Biennia (Projected Costs) \$0
TOTAL \$2,610,000

NEW SECTION. Sec. 5027. FOR THE CENTRAL WASHINGTON UNIVERSITY

Minor Works Preservation: Preservation (30000444)

Appropriation:

Central Washington University Capital
Projects Account--State \$7,000,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$10,000,000
TOTAL \$17,000,000

NEW SECTION. Sec. 5028. FOR THE CENTRAL WASHINGTON UNIVERSITY

Combined Utilities (30000448)

Appropriation:

State Building Construction Account--State \$273,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$273,000

NEW SECTION. Sec. 5029. FOR THE CENTRAL WASHINGTON UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (30000463)

Appropriation:

Central Washington University Capital Projects
Account--State \$2,422,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$9,688,000
TOTAL \$12,110,000

NEW SECTION. Sec. 5030. FOR THE EVERGREEN STATE COLLEGE

Minor Works Preservation (30000003)

Reappropriation:

The Evergreen State College Capital Projects
Account--State \$116,000

Prior Biennia (Expenditures) \$402,000
Future Biennia (Projected Costs) \$0
TOTAL \$518,000

NEW SECTION. Sec. 5031. FOR THE EVERGREEN STATE COLLEGE

Minor Works: Health, Safety, Code Compliance (30000016)

Reappropriation:

The Evergreen State College Capital Projects
Account--State \$63,000

Prior Biennia (Expenditures) \$499,000
Future Biennia (Projected Costs) \$0
TOTAL \$562,000

NEW SECTION. Sec. 5032. FOR THE EVERGREEN STATE COLLEGE

Laboratory and Art Annex Building Renovation (30000026)

Reappropriation:

The Evergreen State College Capital Projects
Account--State \$1,834,000

Prior Biennia (Expenditures) \$3,015,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,849,000

NEW SECTION. Sec. 5033. FOR THE EVERGREEN STATE COLLEGE

Preservation (30000051)

Appropriation:

The Evergreen State College Capital Projects
Account--State \$6,935,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$21,940,000
TOTAL \$28,875,000

NEW SECTION. Sec. 5034. FOR THE EVERGREEN STATE COLLEGE

Communications Laboratory Building Preservation and Renovation (30000002)

Appropriation:

The Evergreen State College Capital Projects
Account--State \$1,030,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$1,030,000

NEW SECTION. Sec. 5035. FOR THE EVERGREEN STATE COLLEGE

Preventive Facility Maintenance and Building System Repairs (30000502)

Appropriation:

The Evergreen State College Capital Projects
Account--State \$760,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$3,040,000
TOTAL \$3,800,000

NEW SECTION. Sec. 5036. FOR THE EVERGREEN STATE COLLEGE

Lecture Hall Remodel Predesign (30000493)

Appropriation:

The Evergreen State College Capital Projects
Account--State \$300,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$10,540,000
TOTAL \$10,840,000

NEW SECTION. Sec. 5037. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works: Program (30000007)

Reappropriation:

Western Washington University Capital Projects
Account--State \$638,000

Prior Biennia (Expenditures) \$2,362,000
Future Biennia (Projected Costs) \$0
TOTAL \$3,000,000

NEW SECTION. Sec. 5038. FOR THE WESTERN WASHINGTON UNIVERSITY

Network Infrastructure/Switches (30000011)

Reappropriation:

Western Washington University Capital Projects
Account--State \$834,000

Prior Biennia (Expenditures) \$3,782,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,616,000

NEW SECTION. Sec. 5039. FOR THE WESTERN WASHINGTON UNIVERSITY

Classroom and Lab Upgrades (30000425)

Appropriation:

Western Washington University Capital Projects
Account--State \$2,313,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$2,313,000

NEW SECTION. Sec. 5040. FOR THE WESTERN WASHINGTON UNIVERSITY

Minor Works: Preservation (30000431)

Appropriation:

Western Washington University Capital Projects
Account--State \$8,264,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$16,600,000
TOTAL \$24,864,000

NEW SECTION. Sec. 5041. FOR THE WESTERN WASHINGTON UNIVERSITY

Preventive Facility Maintenance and Building System Repairs (30000510)

Appropriation:

Western Washington University Capital Projects
Account--State \$3,614,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$14,456,000
 TOTAL \$18,070,000

NEW SECTION. Sec. 5042. FOR THE WESTERN WASHINGTON UNIVERSITY

Academic Services & Performing Arts Facility (30000424)

Appropriation:

Western Washington University Capital Projects
 Account--State \$350,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$53,552,000
 TOTAL \$53,902,000

NEW SECTION. Sec. 5043. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College Fort Steilacoom: Cascade Core (20081321)

Reappropriation:

Community/Technical College Capital Projects
 Account--State \$8,119,000

Prior Biennia (Expenditures) \$381,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$8,500,000

NEW SECTION. Sec. 5044. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs "A" (30000010)

Reappropriation:

Community/Technical College Capital Projects
 Account--State \$3,534,000

Prior Biennia (Expenditures) \$3,320,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,854,000

NEW SECTION. Sec. 5045. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Site Repairs "A" (30000036)

Reappropriation:

Community/Technical College Capital Projects
 Account--State \$1,835,000

Prior Biennia (Expenditures) \$875,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$2,710,000

NEW SECTION. Sec. 5046. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Facility Repairs "A" (30000048)

Reappropriation:

Community/Technical College Capital Projects
 Account--State \$1,359,000

Prior Biennia (Expenditures) \$448,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,807,000

NEW SECTION. Sec. 5047. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works: Program (30000078)

Reappropriation:

Community/Technical College Capital Projects
 Account--State \$6,690,000

Prior Biennia (Expenditures) \$5,537,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$12,227,000

NEW SECTION. Sec. 5048. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works: Preservation (30000210)

Reappropriation:

Community/Technical College Capital Projects
 Account--State \$10,937,000

Prior Biennia (Expenditures) \$5,063,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$16,000,000

NEW SECTION. Sec. 5049. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Site Repairs "A" (30000504)

Appropriation:

Community/Technical College Capital Projects
 Account--State \$3,062,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$20,180,000
 TOTAL \$23,242,000

NEW SECTION. Sec. 5050. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Facility Repairs "A" (30000505)

Appropriation:

Community/Technical College Capital Projects
 Account--State \$15,829,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$63,316,000
 TOTAL \$79,145,000

NEW SECTION. Sec. 5051. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs "A" (30000434)

Appropriation:

Community/Technical College Capital Projects
 Account--State \$9,125,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$36,500,000
 TOTAL \$45,625,000

NEW SECTION. Sec. 5052. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works: Preservation (30000461)

Appropriation:

Community/Technical College Capital Projects
 Account--State \$16,001,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$16,001,000

NEW SECTION. Sec. 5053. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Preventive Facility Maintenance and Building System Repairs (30000709)

Appropriation:

Community/Technical College Capital Projects
 Account--State \$22,800,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$91,200,000
 TOTAL \$114,000,000
 (End of part)

PART 6**2011 SUPPLEMENTAL CAPITAL BUDGET**

Sec. 6001. 2009 c 497 s 3136 (uncodified) is amended to read as follows:
 FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (30000003)

The appropriation in this section is subject to the following conditions and limitations: The board shall terminate its contract for restoration of the Bear River Estuary (Project No. 10-1652). Unexpended grant funding attributable to this project may be spent by the board for other salmon recovery projects.

Appropriation:

General Fund--Federal \$60,000,000
 State Building Construction Account--State \$10,000,000
 Subtotal Appropriation \$70,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$240,000,000
 TOTAL \$310,000,000

Sec. 6002. 2010 1st sp.s. c 36 s 1017 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Energy Regional Innovation Cluster Match (91000080)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to support facilities to be located in Washington state to increase the competitiveness of state or regional proposals for federal energy innovation and research funding. State funding must not exceed twenty percent of the total program or project funds. If a Washington state research organization is not awarded federal funding for energy innovation and research by June 30, 2011, the remaining appropriation in this section may be allotted for export assistance as provided in section 1018 of this act.

Appropriation:

Public Facility Construction Loan Revolving
 Account--State ~~(\$5,500,000)~~
 \$0

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL ~~(\$5,500,000)~~

\$0

NEW SECTION. Sec. 6003. A new section is added to 2009 c 497 (uncodified) to read as follows:

FOR THE WASHINGTON STATE PATROL

Fire Training Academy Burn Building Repairs (91000002)

Appropriation:

Fire Service Training Account--State \$300,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$300,000

NEW SECTION. Sec. 6004. A new section is added to 2009 c 497 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Diesel Emissions Reduction (91000024)

Appropriation:

General Fund--Federal \$353,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$353,000

Sec. 6005. 2009 c 497 s 3155 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Puget Sound Initiative - Nearshore Salmon Restoration (20062001)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The reappropriations are provided solely for efforts to restore nearshore habitat and estuaries in Puget Sound. The department of fish and wildlife must focus on restoring natural nearshore processes, including protection and restoration of beach sediments and removal of existing bulkheads.

(2) The department of fish and wildlife shall provide the Puget Sound partnership, as created by chapter 341, Laws of 2007 the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review must be consistent with the funding schedule for the program.

(3) Funded projects require a nonstate match or in-kind contributions. The department of fish and wildlife must seek to maximize the amount of nonstate match from local, state, tribal, and federal partners. Individual projects require a minimum 33 percent cash or in-kind match.

(4) Eligible projects must be within Puget Sound and identified by a salmon recovery lead entity or marine resource committee and identified in a current salmon recovery, watershed, or nearshore habitat restoration and protection plan.

(5) Project evaluation criteria must be developed by the Puget Sound nearshore steering committee. The criteria must be consistent with the technical guidance developed by the Puget Sound nearshore science team and shall be coordinated with the salmon recovery funding board to ensure that project funding and matching requirements are maximized to the greatest extent possible.

(6) The department of fish and wildlife must not utilize any amount of these reappropriations to support administration or overhead. Funding to support the administration of the funds and the implementation of selected projects must be obtained from the department of fish and wildlife's operating budget.

(7) In recognition of the urgent need to complete the Puget Sound nearshore ecosystem restoration project general investigation, up to \$1,446,000 of these reappropriations may be used to match federal funds implementing the cost-share agreement between the department and the United States army corps of engineers.

(8) Up to \$2,061,735 of the reappropriations are provided solely for the following projects:

Project	Amount
Duwamish Garden estuary restoration	\$300,000
Seahurst Park bulkhead phase II	\$1,100,000
Lower Dosewallips floodplain	\$609,875
Titlow Beach pocket estuary restoration	\$51,860

Reappropriation:

State Building Construction Account--State \$6,636,000
 General Fund--Federal \$600,000

Subtotal Reappropriation \$7,236,000

Appropriation:

General Fund--Federal \$800,000

Prior Biennia (Expenditures) ~~((~~\$7,190,000~~))~~

\$7,627,000

Future Biennia (Projected Costs) \$0

TOTAL ((~~\$14,426,000~~))

\$15,663,000

NEW SECTION. Sec. 6006. A new section is added to 2009 c 497 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Mitchell Act Federal Grant (91000021)

Appropriation:

General Fund--Federal \$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$3,000,000

Sec. 6007. 2010 1st sp.s. c 3 s 6005 (uncodified) is amended to read as follows:

FOR SPOKANE COMMUNITY COLLEGE

The Washington state military department shall transfer building 100 and 5.47 acres of associated land at Geiger field to Spokane community college. The college may exchange the transferred land for land that is better suited for the development of a Spokane aerospace technology center. The Washington state military department shall execute the land transfer within thirty days after the effective date of this section.

NEW SECTION. Sec. 6008. A new section is added to 2009 c 497 (uncodified) to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

Community Partnership Restoration Grants (30000008)

Appropriation:

General Fund--Federal \$500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$500,000

(End of part)

PART 7

MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 7001. (1) Allotments for appropriations in this act shall be provided in accordance with the capital project review requirements adopted by the office of financial management and in compliance with RCW 43.88.110. Projects that will be employing alternative public works construction procedures under chapter 39.10 RCW are subject to the allotment procedures defined in this section and RCW 43.88.110.

(2) Each project is defined as proposed in the legislative budget notes or in the governor's budget document.

NEW SECTION. Sec. 7002. To ensure that major construction projects are carried out in accordance with legislative and executive intent, appropriations in this act in excess of \$5,000,000 shall not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign. The predesign document shall include but not be limited to program, site, and cost analysis in accordance with the predesign manual adopted by the office of financial management. To improve monitoring of major construction projects, progress reports shall be submitted by the agency administering the project to the office of financial management and to the fiscal committees of the house of representatives and senate. Reports will be submitted on July 1st and

December 31st each year in a format to be developed by the office of financial management.

NEW SECTION. Sec. 7003. (1) To ensure minor works appropriations are carried out in accordance with legislative intent, funds appropriated in this act shall not be allotted until project lists are on file at the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee. All projects must meet the criteria included in subsection (2)(a) of this section. Revisions to the lists must be filed with the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee and include an explanation of variances from the prior lists before funds may be expended on the revisions.

(2)(a) Minor works projects are single line appropriations that include multiple projects of a similar nature and that are valued between \$25,000 and \$1,000,000 each, with the exception of higher education minor works projects that may be valued up to \$2,000,000. These projects can generally be completed within two years of the appropriation with the funding provided. Agencies are prohibited from including projects on their minor works lists that are a phase of a larger project, and that if combined over a continuous period of time, would exceed \$1,000,000, or \$2,000,000 for higher education minor works projects. Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the above minor works categories.

(b) Minor works appropriations shall not be used for, among other things: Studies, except for technical or engineering reviews or designs that lead directly to and support a project on the same minor works list; planning; design outside the scope of work on a minor works list; moveable, temporary, and traditionally funded operating equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; or to supplement funding for projects with funding shortfalls unless expressly authorized elsewhere in this act. The office of financial management may make an exception to the limitations described in this subsection (2)(b) for exigent circumstances after notifying the legislative fiscal committees and waiting ten days for comments by the legislature regarding the proposed exception.

(c) Minor works preservation projects may include program improvements of no more than twenty-five percent of the individual minor works preservation project cost.

(3) It is generally not the intent of the legislature to make future appropriations for capital expenditures or for maintenance and operating expenses for an acquisition project or a significant expansion project that is initiated through the minor works process and therefore does not receive a policy and fiscal analysis by the legislature. Minor works projects are intended to be one-time expenditures that do not require future state resources to complete.

NEW SECTION. Sec. 7004. (1) The office of financial management may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants.

(2) The office of financial management may find that an amount is in excess of the amount required for the completion of a project

only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the intent is that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

(4) The office of financial management shall report any transfer effected under this section to the house of representatives capital budget committee, the senate ways and means committee, and the legislative evaluation and accountability program committee, at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer. The governor's capital budget request following any transfer shall reflect that transfer in the affected agency.

Sec. 7005. RCW 39.35B.050 and 2007 c 506 s 3 are each amended to read as follows:

The office of financial management shall:

(1) Design and implement a cost-effective life-cycle cost model by October 1, 2008, based on the work completed by the joint legislative audit and review committee in January 2007 and in consultation with legislative fiscal committees;

(2) Deploy the life-cycle cost model for use by state agencies once completed and tested;

(3) Update the life-cycle cost model periodically in consultation with legislative fiscal committees;

(4) Establish clear policies, standards, and procedures regarding the use of life-cycle cost analysis by state agencies including:

(a) When state agencies must use the life-cycle cost analysis, including the types of proposed capital projects and leased facilities to which it must be applied;

(b) Procedures state agencies must use to document the results of required life-cycle cost analyses;

(c) Standards regarding the discount rate and other key model assumptions; ~~(and)~~

(d) A process to document and justify any deviation from the standard assumptions;

(e) Establish a requirement that agencies conduct the analysis comparing a thirty-year and fifty-year building life when using the life-cycle cost model; and

(f) Establish a requirement that agencies include renovation, system replacement, and remodel costs in maintenance costs for use in the life-cycle cost model.

NEW SECTION. Sec. 7006. (1) It is expected that projects be ready to proceed in a timely manner depending on the type or phase of the project or program that is the subject of the appropriation in this act. Except for major projects that customarily may take more than two biennia to complete from predesign to the end of construction, or large infrastructure grant or loan programs supporting projects that often take more than two biennia to complete, the legislature generally does not intend to reappropriate funds more than once, particularly for smaller grant programs, local/community projects, and minor works.

(2) Agencies shall expedite the expenditure of reappropriations and appropriations in this act in order to: (a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d) provide additional employment opportunities associated with capital expenditures.

(3) To the extent feasible, agencies are directed to accelerate expenditure rates at their current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section.

NEW SECTION. Sec. 7007. State agencies, including institutions of higher education, shall allot and report full-time equivalent staff for capital projects in a manner comparable to staff reporting for operating expenditures.

NEW SECTION. Sec. 7008. The department of general administration shall not charge the facility depreciation component of lease charges for nonprofit tenants in the building adjoining Capitol Way and 11th avenue during the 2011-2013 biennium.

NEW SECTION. Sec. 7009. Executive Order No. 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies and higher education institutions shall comply with the requirements set forth in this executive order.

NEW SECTION. Sec. 7010. The capital projects advisory review board and the department of general administration, in consultation with the office of superintendent of public instruction, shall develop a performance-based school construction pilot program. The pilot program must consist of a minimum of two new K-12 school construction projects and two K-12 modernization projects, for consideration under the school construction assistance grant program. Performance-based contracting as allowed in chapter 39.35A RCW shall be the means of project delivery for all applicable systems or structural improvements. The program shall at a minimum include the following: (1) Guidelines for developing a prequalified list of energy services contractors eligible for selection to lead or participate on a team to design and construct a new building, or renovate a building; (2) a process for evaluating the projects submitted by school districts to determine if they are candidates for the pilot; (3) a model contract that requires a guarantee of system performance by way of ongoing monitoring and verification of energy measures to be used in the building; and (4) any rule making or oversight that the department of general administration considers necessary for the success of the pilot program. The pilot program recommendations shall be delivered to the house capital budget committee and the senate ways and means committee by January 1, 2012.

NEW SECTION. Sec. 7011. ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS

The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

State agencies may enter into agreements with the department of general administration and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic

transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(1) Community and technical colleges:

(a) Enter into a financing contract on behalf of Columbia basin college for up to \$2,500,000 plus financing and required reserves pursuant to chapter 39.94 RCW to add space to the delta high school for the science technology engineering math program.

(b) Enter into a financing contract on behalf of Peninsula college for up to \$2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the Forks Satellite building.

(c) Enter into a financing contract on behalf of Peninsula college for up to \$800,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a wellness center on the Port Angeles campus.

(d) Enter into a financing contract on behalf of Walla Walla Community College for up to \$1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase up to 40 acres of land.

(e) Enter into a financing contract on behalf of Walla Walla Community College for up to \$1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the water and environment center.

(f) Enter into a financing contract on behalf of Wenatchee Valley Community College for up to \$2,700,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a music and art center.

(g) Enter into a financing contract on behalf of Whatcom community college for up to \$3,916,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build an auxiliary services building.

(2) Central Washington University: Enter into a financing contract for up to \$2,500,000 plus financing and required reserves pursuant to chapter 39.94 RCW to purchase the Albertson's building.

(3) Department of general administration:

(a) Enter into a financing contract for up to \$6,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the rehabilitation of the John L. O'Brien building.

(b) Enter into a financing contract for up to \$250,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the "Perry Street child care site" land purchase.

(4) Department of social and health services: Enter into a financing contract for up to \$15,850,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct or renovate specialized housing and treatment facilities for youth committed to the juvenile rehabilitation administration. The debt service is to be paid with the savings associated with closure of the Maple Lane school.

NEW SECTION. Sec. 7012. PUGET SOUND PROTECTION AND RESTORATION

Consistent with RCW 90.71.340, when expending appropriations under this act that contribute to Puget Sound protection and recovery, agencies shall consult with the Puget Sound partnership to ensure that projects and expenditures are either in, or consistent with the 2020 action agenda. These consultations shall include the exchange of information on specific actions, projects, associated funding, performance measures, and other information necessary to track project implementation and ensure alignment with the action agenda. In situations where the Puget Sound partnership finds that a project is not in, or is not consistent with the action agenda Puget Sound partnership shall document this finding and report back to the governor and legislative fiscal committees.

NEW SECTION. Sec. 7013. FOR THE ARTS COMMISSION--ART WORK ALLOWANCE POOLING

(1) One-half of one percent of moneys appropriated in this act for original construction of school plant facilities may be expended for

the purposes of RCW 28A.335.210. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the superintendent of public instruction and representatives of school district boards.

(2) One-half of one percent of moneys appropriated in this act for original construction or any major renovation or remodel work exceeding two hundred thousand dollars by colleges or universities may be expended for the purposes of RCW 28B.10.027. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the board of regents or trustees.

(3) One-half of one percent of moneys appropriated in this act for original construction of any public building by a state agency as defined in RCW 43.17.020 may be expended for the purposes of RCW 43.17.200. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the state agency.

(4) At least eighty-five percent of the moneys spent by the Washington state arts commission during the 2011-2013 biennium for the purposes of RCW 28A.335.210, 28B.10.027, and 43.17.200 must be expended solely for direct acquisition of works of art. The commission may use up to \$100,000 of this amount to conserve or maintain existing pieces in the state art collection pursuant to chapter 36, Laws of 2005.

NEW SECTION. Sec. 7014. To carry out the provisions of this act, the governor may assign responsibility for predesign, design, construction, and other related activities to any appropriate agency.

NEW SECTION. Sec. 7015. If any federal moneys appropriated by this act for capital projects are not received by the state, the department or agency to which the moneys were appropriated may replace the federal moneys with funds available from private or local sources. No replacement may occur under this section without the prior approval of the director of financial management in consultation with the senate ways and means committee and the house of representatives capital budget committee.

NEW SECTION. Sec. 7016. (1) Unless otherwise stated, for all appropriations under this act that require a match of nonstate money or in-kind contributions, the following requirement, consistent with RCW 43.88.150, shall apply: Expenditures of state money shall be timed so that the state share of project expenditures never exceeds the intended state share of total project costs.

(2) Provision of the full amount of required matching funds is not required to permit the expenditure of capital budget appropriations for phased projects if a proportional amount of the required matching funds is provided for each distinct, identifiable phase of the project.

NEW SECTION. Sec. 7017. A new section is added to 2009 c 497 (uncodified) to read as follows:

The office of financial management, in consultation with the fiscal committees of the legislature, may select capital projects that have completed predesign to undergo a budget evaluation study. The budget evaluation study team approach using value engineering techniques must be utilized by the office of financial management in conducting the studies. The office of financial management shall select the budget evaluation team members, contract for the study, and report the results to the legislature and agencies in a timely manner following the study. Funds from the project appropriation must be used by the office of financial management through an interagency agreement with the affected agencies to cover the cost of the study.

NEW SECTION. Sec. 7018. (1) The fish and wildlife commission, acting through the department of general administration, shall transfer to the city of Olympia its three parcels of property located in downtown Olympia as recommended in the report submitted to the legislature by the department of general

administration January 12, 2011. The department of general administration must obtain an appraisal to determine the fair market value of these properties and negotiate a contract with the city of Olympia with the following provisions: (a) A plan and timeline for preparing the parcels for higher use with a significant component of mixed use retail and market rate housing; (b) a process for determining the city's costs associated with that planning and development effort; (c) an agreement on how to divide the proceeds from eventual sale of the properties to a private developer or developers between the state and the city; and (d) a contingency that addresses the reversion right if the city fails to meet the conditions of the agreement.

(2) The division of the proceeds must be in proportion to the amounts determined as the fair market value of the properties before transfer and the amount determined under subsection (1)(b) of this section. The department of general administration shall submit the proposed contract to the appropriate committees of the legislature sixty days prior to the execution of the contract with the city. The state's share of the proceeds shall be deposited in the state wildlife account.

NEW SECTION. Sec. 7019. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

The superintendent of public instruction shall work with the department of general administration to help raise school district awareness of the department's services related to standard construction contract language, consultant agreement language, and the consultant selection process. The superintendent of public instruction shall use their web site, or other means, to post access to this information.

Sec. 7020. RCW 28B.20.725 and 2010 1st sp.s. c 36 s 6008 are each amended to read as follows:

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued;

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the University of Washington building account to the bond retirement fund when necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the University of Washington building account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund. However, during the 2009-2011 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within one year of the date of transfer on all outstanding bonds payable out of the bond retirement fund. However, during the 2011-2013 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within one year of the date of transfer on all outstanding bonds payable out of the bond retirement fund.

Sec. 7021. RCW 28B.30.750 and 2010 1st sp.s. c 36 s 6009 are each amended to read as follows:

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued;

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the Washington State University building account to the bond retirement fund when

necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the Washington State University building account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund. However, during the 2009-2011 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within one year of the date of transfer on all outstanding bonds payable out of the bond retirement fund. However, during the 2011-2013 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within one year of the date of transfer on all outstanding bonds payable out of the bond retirement fund.

Sec. 7022. RCW 28B.15.210 and 2009 c 499 s 1 and 2009 c 497 s 6019 are each reenacted and amended to read as follows:

Within thirty-five days from the date of collection thereof, all building fees at the University of Washington, including building fees to be charged students registering in the schools of medicine and dentistry, shall be paid into the state treasury and credited as follows:

One-half or such larger portion as may be necessary to prevent a default in the payments required to be made out of the bond retirement fund to the "University of Washington bond retirement fund" and the remainder thereof to the "University of Washington building account." The sum so credited to the University of Washington building account shall be used exclusively for the purpose of erecting, altering, maintaining, equipping, or furnishing buildings, and for certificates of participation under chapter 39.94 RCW, except for any sums transferred as authorized in RCW 28B.20.725(3). The sum so credited to the University of Washington bond retirement fund shall be used for the payment of principal of and interest on bonds outstanding as provided by chapter 28B.20 RCW except for any sums transferred as authorized in RCW 28B.20.725(5). During the ((2009-2014)) 2011-2013 biennium, sums credited to the University of Washington building account shall also be used for routine facility maintenance and utility costs.

Sec. 7023. RCW 28B.15.310 and 2009 c 499 s 2 and 2009 c 497 s 6020 are each reenacted and amended to read as follows:

Within thirty-five days from the date of collection thereof, all building fees shall be paid and credited as follows: To the Washington State University bond retirement fund, one-half or such larger portion as may be necessary to prevent a default in the payments required to be made out of such bond retirement fund; and the remainder thereof to the Washington State University building account.

The sum so credited to the Washington State University building account shall be expended by the board of regents for buildings, equipment, or maintenance on the campus of Washington State University as may be deemed most advisable and for the best interests of the university, and for certificates of participation under chapter 39.94 RCW, except for any sums transferred as authorized by law. During the ((2009-2014)) 2011-2013 biennium, sums credited to the Washington State University building account shall also be used for routine facility maintenance and utility costs. Expenditures so made shall be accounted for in accordance with existing law and shall not be expended until appropriated by the legislature.

The sum so credited to the Washington State University bond retirement fund shall be used to pay and secure the payment of the principal of and interest on building bonds issued by the university, except for any sums which may be transferred out of such fund as authorized by law.

Sec. 7024. RCW 28B.35.370 and 2009 c 499 s 5 and 2009 c 497 s 6021 are each reenacted and amended to read as follows:

Within thirty-five days from the date of collection thereof all building fees of each regional university and The Evergreen State College shall be paid into the state treasury and these together with such normal school fund revenues as provided in RCW 28B.35.751 as are received by the state treasury shall be credited as follows:

(1) On or before June 30th of each year the board of trustees of each regional university and The Evergreen State College, if issuing bonds payable out of its building fees and above described normal school fund revenues, shall certify to the state treasurer the amounts required in the ensuing twelve months to pay and secure the payment of the principal of and interest on such bonds. The amounts so certified by each regional university and The Evergreen State College shall be a prior lien and charge against all building fees and above described normal school fund revenues of such institution. The state treasurer shall thereupon deposit the amounts so certified in the Eastern Washington University capital projects account, the Central Washington University capital projects account, the Western Washington University capital projects account, or The Evergreen State College capital projects account respectively, which accounts are hereby created in the state treasury. The amounts deposited in the respective capital projects accounts shall be used to pay and secure the payment of the principal of and interest on the building bonds issued by such regional universities and The Evergreen State College as authorized by law. If in any twelve month period it shall appear that the amount certified by any such board of trustees is insufficient to pay and secure the payment of the principal of and interest on the outstanding building and above described normal school fund revenue bonds of its institution, the state treasurer shall notify the board of trustees and such board shall adjust its certificate so that all requirements of moneys to pay and secure the payment of the principal of and interest on all such bonds then outstanding shall be fully met at all times.

(2) All normal school fund revenue pursuant to RCW 28B.35.751 shall be deposited in the Eastern Washington University capital projects account, the Central Washington University capital projects account, the Western Washington University capital projects account, or The Evergreen State College capital projects account respectively, which accounts are hereby created in the state treasury. The sums deposited in the respective capital projects accounts shall be appropriated and expended to pay and secure the payment of the principal of and interest on bonds payable out of the building fees and normal school revenue and for the construction, reconstruction, erection, equipping, maintenance, demolition and major alteration of buildings and other capital assets, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances in relation thereto except for any sums transferred therefrom as authorized by law. During the ~~((2009-2011))~~ 2011-2013 biennium, sums in the respective capital accounts shall also be used for routine facility maintenance and utility costs.

(3) Funds available in the respective capital projects accounts may also be used for certificates of participation under chapter 39.94 RCW.

Sec. 7025. RCW 28B.50.360 and 2009 c 499 s 6 are each amended to read as follows:

Within thirty-five days from the date of start of each quarter all collected building fees of each such community and technical college shall be paid into the state treasury, and shall be credited as follows:

(1) On or before June 30th of each year the college board if issuing bonds payable out of building fees shall certify to the state treasurer the amounts required in the ensuing twelve-month period to pay and secure the payment of the principal of and interest on such bonds. The state treasurer shall thereupon deposit the amounts so certified in the community and technical college capital projects account. Such amounts of the funds deposited in the community and

technical college capital projects account as are necessary to pay and secure the payment of the principal of and interest on the building bonds issued by the college board as authorized by this chapter shall be devoted to that purpose. If in any twelve-month period it shall appear that the amount certified by the college board is insufficient to pay and secure the payment of the principal of and interest on the outstanding building bonds, the state treasurer shall notify the college board and such board shall adjust its certificate so that all requirements of moneys to pay and secure the payment of the principal and interest on all such bonds then outstanding shall be fully met at all times.

(2) The community and technical college capital projects account is hereby created in the state treasury. The sums deposited in the capital projects account shall be appropriated and expended to pay and secure the payment of the principal of and interest on bonds payable out of the building fees and for the construction, reconstruction, erection, equipping, maintenance, demolition and major alteration of buildings and other capital assets owned by the state board for community and technical colleges in the name of the state of Washington, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances in relation thereto, engineering and architectural services provided by the department of general administration, and for the payment of principal of and interest on any bonds issued for such purposes. During the 2011-2013 biennium, sums in the capital projects account shall also be used for routine facility maintenance and utility costs.

(3) Funds available in the community and technical college capital projects account may also be used for certificates of participation under chapter 39.94 RCW.

Sec. 7026. RCW 43.43.944 and 2010 1st sp.s. c 37 s 923 are each amended to read as follows:

(1) The fire service training account is hereby established in the state treasury. The fund shall consist of:

(a) All fees received by the Washington state patrol for fire service training;

(b) All grants and bequests accepted by the Washington state patrol under RCW 43.43.940;

(c) Twenty percent of all moneys received by the state on fire insurance premiums; and

(d) General fund--state moneys appropriated into the account by the legislature.

(2) Moneys in the account may be appropriated only for fire service training. The state patrol may use amounts appropriated from the fire service training account under this section to contract with the Washington state firefighters apprenticeship trust for the operation of the firefighter joint apprenticeship training program. The contract may call for payments on a monthly basis. During the 2009-2011 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol and for repairs of the burn building. During the 2011-2013 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol, and for predesign and repairs of the burn building.

(3) Any general fund--state moneys appropriated into the account shall be allocated solely to the firefighter joint apprenticeship training program. The Washington state patrol may contract with outside entities for the administration and delivery of the firefighter joint apprenticeship training program.

Sec. 7027. RCW 43.63A.125 and 2008 c 327 s 15 are each amended to read as follows:

(1) The department shall establish the building communities fund program. Under the program, capital and technical assistance grants may be made to nonprofit organizations for acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential community services, including social service centers and multipurpose community centers, including those serving a distinct or

ethnic population. Such facilities must be located in a distressed community or serve a substantial number of low-income or disadvantaged persons.

(2) The department shall establish a competitive process to solicit ~~((and))~~, evaluate, and rank applications for the building communities fund program as follows:

(a) The department shall conduct a statewide solicitation of project applications from nonprofit organizations.

(b) The department shall evaluate and rank applications in consultation with a citizen advisory committee using objective criteria. To be considered qualified, applicants must demonstrate that the proposed project:

(i) Will increase the range, efficiency, or quality of the services provided to citizens;

(ii) Will be located in a distressed community or will serve a substantial number of low-income or disadvantaged persons;

(iii) Will offer three or more distinct activities that meet a single community service objective or offer a diverse set of activities that meet multiple community service objectives, including but not limited to: Providing social services; expanding employment opportunities for or increasing the employability of community residents; or offering educational or recreational opportunities separate from the public school system or private schools, as long as recreation is not the sole purpose of the facility;

(iv) Reflects a long-term vision for the development of the community, shared by residents, businesses, leaders, and partners;

(v) Requires state funding to accomplish a discrete, usable phase of the project;

(vi) Is ready to proceed and will make timely use of the funds;

(vii) Is sponsored by one or more entities that have the organizational and financial capacity to fulfill the terms of the grant agreement and to maintain the project into the future;

(viii) Fills an unmet need for community services;

(ix) Will achieve its stated objectives; and

(x) Is a community priority as shown through tangible commitments of existing or future assets made to the project by community residents, leaders, businesses, and government partners.

(c) The evaluation and ranking process shall also include an examination of existing assets that applicants may apply to projects. Grant assistance under this section shall not exceed twenty-five percent of the total cost of the project, except, under exceptional circumstances, the department may reduce the amount of nonstate match required. No more than ten percent of the total granted amount may be awarded to qualified eligible projects that meet the definition of exceptional circumstances defined in this subsection. For purposes of this subsection, exceptional circumstances include but are not limited to: Natural disasters affecting projects; emergencies beyond an applicant's control, such as a fire or an unanticipated loss of a lease where services are currently provided; or a delay that could result in a threat to public health or safety. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.

(d) The department may not set a monetary limit to funding requests.

(3) The department shall submit ~~((annually))~~ biennially to the governor and the legislature in the department's capital budget request ~~((an unranked))~~ a ranked list of the qualified eligible projects for which applications were received. The list must include a description of each project, its total cost, and the amount of state funding requested. The appropriate fiscal committees of the legislature shall use this list to determine building communities fund projects that may receive funding in the capital budget. The total amount of state capital funding available for all projects on the ~~((annual))~~ biennial list shall be determined by the capital budget beginning with the 2009-2011 biennium and thereafter. In addition, if cash funds have been

appropriated, up to three million dollars may be used for technical assistance grants. The department shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects.

(4) In addition to the list of ranked qualified eligible projects, the department shall submit to the appropriate fiscal committees of the legislature a summary report that describes the solicitation and evaluation processes, including but not limited to the number of applications received, the total amount of funding requested, issues encountered, if any, and any recommendations for process improvements.

(5) After the legislature has approved a specific list of projects in law, the department shall develop and manage appropriate contracts with the selected applicants; monitor project expenditures and grantee performance; report project and contract information; and exercise due diligence and other contract management responsibilities as required.

(6) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements shall be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities shall be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

NEW SECTION. Sec. 7028. A new section is added to chapter 43.155 RCW to read as follows:

(1) The legislature intends to modernize state programs that provide financial and technical assistance related to local infrastructure by: (a) Clarifying the policy objectives and priorities for state assistance for local infrastructure; (b) eliminating redundancy among the various state programs; (c) increasing the speed of delivering state assistance and the ability to respond to emerging needs; (d) maximizing the acquisition and use of federal funding sources; (e) ensuring transparency in state and federal assistance; (f) improving access to the lowest cost private market financing; and (g) ensuring accountability and the periodic review of progress.

(2) By November 1, 2011, the public works board must prepare and submit to the appropriate committees of the legislature an implementation plan for creating a reformed state system for providing local infrastructure assistance. In developing the plan, the board must consult with state agencies that provide infrastructure funding and technical assistance including, but not limited to, the departments of commerce, health, and ecology. The board must also work in cooperation with local governments or entities that benefit from infrastructure funding and technical assistance.

(3) The board, state agencies, and local partners must consider, among other things, consolidation of state appropriations to support policy-focused investments including water quality, safe drinking water, storm water, economic development, access to private financing, solid waste and recycling, and flood levees. In addition, they must consider consolidating assistance packages, streamlining application processes, and clarify the respective responsibilities of state and local agencies in planning for, developing and maintaining local public infrastructure.

(4) The implementation plan must include draft legislation and the organizational and budgetary changes necessary to implement the new system in time for the 2013-2015 budget cycle.

NEW SECTION. Sec. 7029. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

The department of general administration shall provide the office of the superintendent of public instruction with existing standard construction contract and consultant agreement standardized language and selection process, for publication on office of the superintendent

of public instruction's web site, which can be used at no charge by school districts. In addition, the department of general administration shall provide an option to school districts to modify existing standard construction contract or consultant agreement language and assist districts with the consultant selection process an hourly rate for these services.

NEW SECTION. Sec. 7030. FOR THE EASTERN WASHINGTON UNIVERSITY

Riverpoint Center Property Sale (30000061)

Eastern Washington University is authorized to sell its center at 701 West First Avenue in downtown Spokane, and directed to deposit the proceeds of the sale into the Eastern Washington University capital projects account. The university shall report to the office of financial management and to the appropriate committees of the legislature upon the sale of the downtown center and completion of the updated appraisal.

Sec. 7031. 2011 c 5 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

State Treasurer's Service Account: For transfer to the state general fund, \$16,400,000 for fiscal year 2010 and \$29,400,000 for fiscal year 2011 \$45,800,000

Waste Reduction, Recycling and Litter Control Account: For transfer to the state general fund, \$3,000,000 for fiscal year 2010 and \$3,000,000 for fiscal year 2011 \$6,000,000

State Toxics Control Account: For transfer to the state general fund, \$15,340,000 for fiscal year 2010 ((and \$37,780,000 for fiscal year 2011)) (((\$53,120,000)) \$15,340,000

Local Toxics Control Account: For transfer to the state general fund, \$37,060,000 for fiscal year 2010 ((and \$65,759,000 for fiscal year 2011)) (((\$102,819,000)) \$37,060,000

Education Construction Account: For transfer to the state general fund, \$105,228,000 for fiscal year 2010 and \$106,451,000 for fiscal year 2011 \$211,679,000

Aquatics Lands Enhancement Account: For transfer to the state general fund, \$8,520,000 for fiscal year 2010 and \$12,550,000 for fiscal year 2011 \$21,070,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account \$28,600,000

Economic Development Strategic Reserve Account: For transfer to the state general fund, \$2,500,000 for fiscal year 2010 and \$3,900,000 for fiscal year 2011 \$6,400,000

Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed by more than \$26,000,000 the actual amount of the annual payment to the tobacco settlement account \$204,098,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed \$26,000,000 less than the actual amount of the strategic contribution supplemental payment to the tobacco settlement account \$39,170,000

General Fund: For transfer to the streamline sales and use tax account, \$24,274,000 for fiscal year 2010 and \$24,182,000 for fiscal year 2011 \$48,456,000

State Convention and Trade Center Account: For transfer to the state convention and trade center operations account, \$1,000,000 for fiscal year 2010 and \$3,100,000 for fiscal year 2011 \$4,100,000

Tobacco Prevention and Control Account: For transfer to the state general fund, \$1,961,000 for fiscal

year 2010 and \$3,000,000 for fiscal year 2011 \$4,961,000

Nisqually Earthquake Account: For transfer to the disaster response account for fiscal year 2010 \$500,000

Judicial Information Systems Account: For transfer to the state general fund, \$3,250,000 for fiscal year 2010 and \$3,250,000 for fiscal year 2011 \$6,500,000

Department of Retirement Systems Expense Account: For transfer to the state general fund, \$1,000,000 for fiscal year 2010 and \$1,500,000 for fiscal year 2011 \$2,500,000

State Emergency Water Projects Account: For transfer to the state general fund, \$390,000 for fiscal year 2011 \$390,000

The Charitable, Educational, Penal, and Reformatory Institutions Account: For transfer to the state general fund, \$5,550,000 for fiscal year 2010 and \$4,450,000 for fiscal year 2011 \$10,000,000

Energy Freedom Account: For transfer to the state general fund, \$4,038,000 for fiscal year 2010 and \$2,978,000 for fiscal year 2011 \$7,016,000

Thurston County Capital Facilities Account: For transfer to the state general fund, \$8,604,000 for fiscal year 2010 and \$5,156,000 for fiscal year 2011 \$13,760,000

Public Works Assistance Account: For transfer to the state general fund, \$279,640,000 for fiscal year 2010 and ((~~\$229,560,000~~)) \$155,508,000 for fiscal year 2011 ((~~\$509,200,000~~)) \$435,148,000

Budget Stabilization Account: For transfer to the state general fund for fiscal year 2010 \$45,130,000

Liquor Revolving Account: For transfer to the state general fund, \$31,000,000 for fiscal year 2010 and \$31,000,000 for fiscal year 2011 \$62,000,000

Public Works Assistance Account: For transfer to the city-county assistance account, \$5,000,000 on July 1, 2009, and \$5,000,000 on July 1, 2010 \$10,000,000

Public Works Assistance Account: For transfer to the drinking water assistance account, \$6,930,000 for fiscal year 2010 and \$4,000,000 for fiscal year 2011 \$10,930,000

Shared Game Lottery Account: For transfer to the education legacy trust account, \$3,600,000 for fiscal year 2010 and \$2,400,000 for fiscal year 2011 \$6,000,000

State Lottery Account: For transfer to the education legacy trust account, \$9,500,000 for fiscal year 2010 and \$9,500,000 for fiscal year 2011 \$19,000,000

College Faculty Awards Trust Fund: For transfer to the state general fund for fiscal year 2010, an amount not to exceed the actual cash balance of the fund and \$1,957,000 for fiscal year 2011 \$5,957,000

Washington Distinguished Professorship Trust Fund: For transfer to the state general fund for fiscal year 2010, an amount not to exceed the actual cash balance of the fund and \$2,966,000 for fiscal year 2011 \$8,966,000

Washington Graduate Fellowship Trust Account: For transfer to the state general fund for fiscal year 2010, an amount not to exceed the actual cash balance of the fund and \$1,008,000 for fiscal year 2011 \$3,008,000

GET Ready for Math and Science Scholarship Account: For transfer to the state general fund for fiscal year 2010, an amount not to exceed the actual cash balance not comprised of or

needed to match private contributions \$1,800,000

Financial Services Regulation Account: For transfer to the state general fund, \$2,000,000 for fiscal year 2010 and \$7,000,000 for fiscal year 2011 \$9,000,000

Data Processing Revolving Fund: For transfer to the state general fund, \$5,632,000 for fiscal year 2010 and \$4,159,000 for fiscal year 2011 \$9,791,000

Public Service Revolving Account: For transfer to the state general fund, \$8,000,000 for fiscal year 2010 and \$7,000,000 for fiscal year 2011 \$15,000,000

Water Quality Capital Account: For transfer to the state general fund, \$278,000 for fiscal year 2011 \$278,000

Performance Audits of Government Account: For transfer to the state general fund, \$10,000,000 for fiscal year 2010 and \$7,000,000 for fiscal year 2011 \$17,000,000

Job Development Account: For transfer to the state general fund, \$20,930,000 for fiscal year 2010 \$20,930,000

Savings Incentive Account: For transfer to the state general fund, \$10,117,000 for fiscal year 2010 and \$32,075,000 for fiscal year 2011 \$42,192,000

Education Savings Account: For transfer to the state general fund, \$90,690,000 for fiscal year 2010 and \$53,384,000 for fiscal year 2011 \$144,074,000

Cleanup Settlement Account: For transfer to the state efficiency and restructuring account for fiscal year 2011 \$39,480,000

Disaster Response Account: For transfer to the state drought preparedness account, \$4,000,000 for fiscal year 2010 \$4,000,000

Washington State Convention and Trade Center Account: For transfer to the state general fund, \$10,000,000 for fiscal year 2011. The transfer in this section shall occur on June 30, 2011, only if by that date the Washington state convention and trade center is not transferred to a public facilities district pursuant to Substitute Senate Bill No. 6889 (convention and trade center) \$10,000,000

Institutional Welfare/Betterment Account: For transfer to the state general fund, \$2,000,000 for fiscal year 2010 and \$2,000,000 for fiscal year 2011 \$4,000,000

Future Teacher Conditional Scholarship Account: For transfer to the state general fund, \$2,150,000 for fiscal year 2010 and \$2,150,000 for fiscal year 2011 \$4,300,000

Fingerprint Identification Account: For transfer to the state general fund, \$800,000 for fiscal year 2011 \$800,000

Prevent or Reduce Owner-Occupied Foreclosure Program Account: For transfer to the financial education public-private partnership account for fiscal year 2010, an amount not to exceed the actual cash balance of the fund as of June 30, 2010 \$300,000

Nisqually Earthquake Account: For transfer to the state general fund for fiscal year 2011 \$696,000

Disaster Response Account: For transfer to the state general fund for fiscal year 2011 \$14,500,000

Washington Auto Theft Prevention Account: For transfer to the state general fund, \$1,500,000 for fiscal year 2011 \$1,500,000

Tourism Enterprise Account: For transfer to the state general fund, \$590,000 for fiscal year 2011 \$590,000

Tourism Development and Promotion Account: For transfer to the state general fund, \$205,000 for fiscal year 2011 \$205,000

Life Sciences Discovery Fund: For transfer to the basic health plan stabilization account \$6,000,000

Life Sciences Discovery Fund: For transfer to the state general fund for fiscal year 2011 \$2,200,000

Industrial Insurance Premium Refund Account: For transfer to the state general fund, \$4,500,000 for fiscal year 2011 \$4,500,000

Distressed County Assistance Account: For transfer to the state general fund, \$205,000 for fiscal year 2011 \$205,000

State Drought Preparedness Account: For transfer to the state general fund, \$4,000,000 for fiscal year 2011 \$4,000,000

Freshwater Aquatic Algae Control Account: For transfer to the state general fund, \$400,000 for fiscal year 2011 \$400,000

Freshwater Aquatic Weeds Account: For transfer to the state general fund, \$300,000 for fiscal year 2011 \$300,000

Liquor Control Board Construction and Maintenance Account: For transfer to the state general fund for fiscal year 2011 \$3,000,000

Sec. 7032. RCW 82.16.020 and 2009 c 469 s 702 are each amended to read as follows:

(1) There is levied and there shall be collected from every person a tax for the act or privilege of engaging within this state in any one or more of the businesses herein mentioned. The tax shall be equal to the gross income of the business, multiplied by the rate set out after the business, as follows:

- (a) Express, sewerage collection, and telegraph businesses: Three and six-tenths percent;
- (b) Light and power business: Three and sixty-two one-hundredths percent;
- (c) Gas distribution business: Three and six-tenths percent;
- (d) Urban transportation business: Six-tenths of one percent;
- (e) Vessels under sixty-five feet in length, except tugboats, operating upon the waters within the state: Six-tenths of one percent;
- (f) Motor transportation, railroad, railroad car, and tugboat businesses, and all public service businesses other than ones mentioned above: One and eight-tenths of one percent;
- (g) Water distribution business: Four and seven-tenths percent;
- (h) Log transportation business: One and twenty-eight one-hundredths percent.

(2) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (1) of this section.

(3) Twenty percent of the moneys collected under subsection (1) of this section on water distribution businesses and sixty percent of the moneys collected under subsection (1) of this section on sewerage collection businesses shall be deposited in the public works assistance account created in RCW 43.155.050: PROVIDED, That during the fiscal year 2011, twenty percent of the moneys collected under subsection (1) of this section on water distribution businesses and sixty percent of the moneys collected under subsection (1) of this section on sewerage collection businesses must be deposited in the general fund for general purpose expenditures.

Sec. 7033. RCW 82.16.020 and 1996 c 150 s 2 are each amended to read as follows:

(1) There is levied and there shall be collected from every person a tax for the act or privilege of engaging within this state in any one or more of the businesses herein mentioned. The tax shall be equal to the gross income of the business, multiplied by the rate set out after the business, as follows:

- (a) Express, sewerage collection, and telegraph businesses: Three and six-tenths percent;
- (b) Light and power business: Three and sixty-two one-hundredths percent;
- (c) Gas distribution business: Three and six-tenths percent;
- (d) Urban transportation business: Six-tenths of one percent;
- (e) Vessels under sixty-five feet in length, except tugboats, operating upon the waters within the state: Six-tenths of one percent;
- (f) Motor transportation, railroad, railroad car, and tugboat businesses, and all public service businesses other than ones mentioned above: One and eight-tenths of one percent;
- (g) Water distribution business: Four and seven-tenths percent.

(2) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (1) of this section.

(3) Twenty percent of the moneys collected under subsection (1) of this section on water distribution businesses and sixty percent of the moneys collected under subsection (1) of this section on sewerage collection businesses shall be deposited in the public works assistance account created in RCW 43.155.050: PROVIDED, That during the fiscal year 2011, twenty percent of the moneys collected under subsection (1) of this section on water distribution businesses and sixty percent of the moneys collected under subsection (1) of this section on sewerage collection businesses must be deposited in the general fund for general purpose expenditures.

Sec. 7034. RCW 82.18.040 and 2000 c 103 s 11 are each amended to read as follows:

Taxes collected under this chapter shall be held in trust until paid to the state. Taxes received by the state shall be deposited in the public works assistance account created in RCW 43.155.050: PROVIDED, That during the fiscal year 2011, taxes received by the state under this chapter must be deposited in the general fund for general purpose expenditures. Any person collecting the tax who appropriates or converts the tax collected shall be guilty of a gross misdemeanor if the money required to be collected is not available for payment on the date payment is due. If a taxpayer fails to pay the tax imposed by this chapter to the person charged with collection of the tax and the person charged with collection fails to pay the tax to the department, the department may, in its discretion, proceed directly against the taxpayer for collection of the tax.

The tax shall be due from the taxpayer within twenty-five days from the date the taxpayer is billed by the person collecting the tax.

The tax shall be due from the person collecting the tax at the end of the tax period in which the tax is received from the taxpayer. If the taxpayer remits only a portion of the total amount billed for taxes, consideration, and related charges, the amount remitted shall be applied first to payment of the solid waste collection tax and this tax shall have priority over all other claims to the amount remitted.

Sec. 7035. RCW 82.45.060 and 2005 c 450 s 1 are each amended to read as follows:

There is imposed an excise tax upon each sale of real property at the rate of one and twenty-eight one-hundredths percent of the selling price. An amount equal to six and one-tenth percent of the proceeds of this tax to the state treasurer shall be deposited in the public works assistance account created in RCW 43.155.050: PROVIDED, That during the fiscal year 2011, six and one-tenth percent of the proceeds of this tax must be deposited in the general fund for general purpose expenditures. An amount equal to one and six-tenths percent of the proceeds of this tax to the state treasurer shall be deposited in the city-county assistance account created in RCW 43.08.290.

NEW SECTION. Sec. 7036. SALARY ADJUSTMENT

The appropriations in this act shall be expended solely for the purposes designated in this act and are subject to the following conditions and limitations:

(1) Appropriations in this act are provided solely for a 3.0 percent salary reduction effective July 1, 2011, through June 29, 2013, for all

employees of the executive, legislative, and judicial branches, including those employees in the Washington management service, and including employees exempt from merit system rules, except for:

- (a) Elected officials whose salaries are set by the commission on salaries for elected officials;
- (b) Student employees at state institutions of higher education;
- (c) Faculty employees at state institutions of higher education: PROVIDED, HOWEVER, That appropriations to higher education institutions are reduced in an amount reflecting a 3.0 percent reduction in faculty salary expenditures;
- (d) Certificated employees of the state school for the blind and the center for childhood deafness and hearing loss;
- (e) Commissioned officers of the Washington state patrol represented by the state patrol troopers' association and the Washington state patrol lieutenants' association;
- (f) Represented ferry workers of the Washington state department of transportation, provided, however, that other reductions are included in section 504 of the 2011-2013 transportation appropriations act;
- (g) Employees whose salary is less than \$2,500 per month; and
- (h) Employees as specified in subsection (2) of this section.

(2) For employees subject to the 3.0 percent reduction in salary under subsection (1) of this section employees will receive temporary salary reduction leave of up to 5.2 hours per month. The director of personnel shall adopt rules governing the accrual and use of temporary salary reduction leave.

(3) The department of retirement systems shall include any forgone salary or lost work hours under subsections (1) and (3) of this section in the final average compensation of employees affected for purposes of calculating retirement benefits, as specified in executive request legislation Z-0211.1/11.

(4) The appropriation from dedicated funds and accounts shall be made in the amounts specified and from the dedicated funds and accounts specified in office of financial management document 2011-01, which is hereby incorporated by reference. The office of financial management shall allocate the moneys appropriated in this section in the amounts specified and to the state agencies specified in office of financial management document 2011-01 and adjust appropriation schedules accordingly.

NEW SECTION. Sec. 7037. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 7038. Section 7005 of this act expires June 30, 2013.

NEW SECTION. Sec. 7039. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately, except for sections 7022 through 7025 and 7027 of this act which take effect July 1, 2011.

Correct the title.

Representatives Dunshee and Warnick spoke in favor of the adoption of the amendment.

Amendment (857) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dunshee, Warnick, Ross, Zeiger, Jinkins, Pearson and Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1497.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1497, and the bill passed the House by the following vote: Yeas, 94; Nays, 0; Absent, 0; Excused, 4.

Voting yeas: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Excused: Representatives Anderson, Crouse, McCune and Overstreet.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1497, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2048, by Representatives Kenney, Darneille, Dunshee, Hasegawa, Green, Upthegrove, Ormsby, Haigh, McCoy, Pedersen, Ryu, Pettigrew, Ladenburg, Moscoso, Hunt, Kagi, Dickerson, Appleton, Sells, Roberts, Reykdal, Frockt, Fitzgibbon, Finn, Goodman and Rolfes

Concerning low-income and homeless housing assistance surcharges.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2048 was substituted for House Bill No. 2048 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2048 was read the second time.

Representative Kenney moved the adoption of amendment (804).

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 36.22.179 and 2011 c 110 s 2 are each amended to read as follows:

(1) In addition to the surcharge authorized in RCW 36.22.178, and except as provided in subsection (2) of this section, an additional surcharge of ten dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. ~~((During the 2009-11 and 2011-13 biennia))~~ From July 1, 2009, through August 31, 2011, and from July 1, 2015, through June 30, 2017, the surcharge shall be thirty dollars. From September 1, 2011, through June 30, 2015, the surcharge shall be forty dollars. The funds collected pursuant to this section are to be distributed and used as follows:

(a) The auditor shall retain two percent for collection of the fee, and of the remainder shall remit sixty percent to the county to be deposited into a fund that must be used by the county and its cities and towns to accomplish the purposes of chapter 484, Laws of 2005, six percent of which may be used by the county for administrative costs related to its homeless housing plan, and the remainder for programs which directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county which elects as authorized in RCW 43.185C.080 to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county shall be transmitted at least quarterly to the city treasurer, without any deduction for county administrative costs, for use by the city for program costs which directly contribute to the goals of the city's local homeless housing plan; of the funds received by the city, it may use six percent for administrative costs for its homeless housing program.

(b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. The department may use twelve and one-half percent of this amount for administration of the program established in RCW 43.185C.020, including the costs of creating the statewide homeless housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program. The remaining eighty-seven and one-half percent is to be used by the department to:

(i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; grants and vouchers designated for victims of human trafficking and their families; and emergency shelter assistance; and

(ii) Fund the homeless housing grant program.

(2) The surcharge imposed in this section applies to documents required to be recorded or filed under RCW 65.04.030(1) including, but not limited to: Full reconveyance; deeds of trust; deeds; liens related to real property; release of liens related to real property; notice of trustee sales; judgments related to real property; and all other documents pertaining to real property as determined by the county auditor. However, the surcharge does not apply to (a) assignments or substitutions of previously recorded deeds of trust, or (b) documents recording a birth, marriage, divorce, or death or any documents otherwise exempted from a recording fee under state law.

(3) By August 31, 2011, each county auditor shall produce and submit to the department a list of documents that are subject to the surcharge established in subsection (1) of this section.

(4) If section 2, chapter . . . , Laws of 2011 1st sp. sess. (section 2 of this act) is not enacted into law by July 31, 2011, section 1, chapter . . . , Laws of 2011 1st sp. sess. (section 1 of this act) is null and void.

NEW SECTION. Sec. 2. A new section is added to chapter 43.185C RCW to read as follows:

(1) As a means of efficiently and cost-effectively providing housing assistance to very-low income and homeless households:

(a) Any local government that has the authority to issue housing vouchers, directly or through a contractor, using document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 must:

(i)(A) Maintain an interested landlord list, which at a minimum, includes information on rental properties in buildings with fewer than fifty units;

(B) Update the list at least once per quarter;

(C) Distribute the list to agencies providing services to individuals and households receiving housing vouchers;

(D) Ensure that a copy of the list or information for accessing the list online is provided with voucher paperwork; and

(E) Use reasonable best efforts to communicate and interact with landlord and tenant associations located within its jurisdiction to facilitate development, maintenance, and distribution of the list;

(ii) Using cost-effective methods of communication, convene, on a semiannual or more frequent basis, landlords represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The local government is not required to reimburse any participants for expenses related to attendance;

(iii) Produce data, limited to document recording fee uses and expenditures, on a calendar year basis in consultation with landlords represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers, that include the following: Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that received, and number of housing placement payments provided in each of the private, public, and nonprofit markets; amount expended on and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance services provided in the private market. If these data elements are not readily available, the reporting government may request the department to use the sampling methodology established pursuant to (b)(iii) of this subsection to obtain the data; and

(iv) Annually submit the calendar year data to the department by October 1st, with preliminary data submitted by October 1, 2012, and full calendar year data submitted beginning October 1, 2013.

(b) The department must:

(i) Require contractors that provide housing vouchers to distribute the interested landlord list created by the appropriate local government to individuals and households receiving the housing vouchers;

(ii) Using cost-effective methods of communication, annually convene local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The department is not required to reimburse any participants for expenses related to attendance;

(iii) Develop a sampling methodology to obtain data required under this section when a local government or contractor does not have such information readily available. The process for developing the sampling methodology must include providing notification to and the opportunity for public comment by local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers;

(iv) Develop a report, limited to document recording fee uses and expenditures, on a calendar year basis in consultation with local governments, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers, that includes the following: Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that received, and number of housing placement payments provided in each of the private, public, and nonprofit markets; amount expended on and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance services provided in the private market. The information in the report must include data submitted by local governments and data on all

additional document recording fee activities for which the department contracted that were not otherwise reported; and

(v) Annually submit the calendar year report to the legislature by December 15th, with a preliminary report submitted by December 15, 2012, and full calendar year reports submitted beginning December 15, 2013.

(2) For purposes of this section:

(a) "Housing placement payments" means one-time payments, such as first and last month's rent and move-in costs, funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made to secure a unit on behalf of a tenant.

(b) "Housing vouchers" means payments funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by a local government or contractor to secure: (i) A rental unit on behalf of an individual tenant; or (ii) a block of units on behalf of multiple tenants.

(c) "Interested landlord list" means a list of landlords who have indicated to a local government or contractor interest in renting to individuals or households receiving a housing voucher funded by document recording surcharges.

(3) This section expires June 30, 2017.

(4) If section 1, chapter . . . , Laws of 2011 1st sp. sess. (section 1 of this act) is not enacted into law by July 31, 2011, this section is null and void."

Correct the title.

Representative Miloscia moved the adoption of amendment (855) to amendment (804).

0)

On page 4, at the beginning of line 3 of the striking amendment, strike "(b)" and insert "(c)"

On page 4, line 7 of the striking amendment, after "(b)" insert "Any local government receiving more than three million five hundred thousand dollars during the previous calendar year from document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, and 36.22.1791, must apply to the Washington state quality award program, or similar Baldrige assessment organization, for an independent assessment of its quality management, accountability, and performance system. The first assessment may be a lite assessment. After submitting an application, a local government is required to reapply at least every two years.

(c)"

On page 5, line 3 of the striking amendment, after "reported;" strike "and"

On page 5, line 7 of the striking amendment, after "2013" insert "; and

(vi) Work with the Washington state quality award program, local governments, and any other organizations to ensure the appropriate scheduling of assessments for all local governments meeting the criteria described in subsection (1)(b) of this section"

Representatives Miloscia, Armstrong, Kenney and Orcutt spoke in favor of the adoption of the amendment to the amendment.

Amendment (855) was adopted.

Representative Kenney spoke in favor of the adoption of amendment (804) as amended.

Amendment (804) was adopted as amended.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

POINT OF PARLIAMENTARY INQUIRY

Representative Ross rose for a point of parliamentary inquiry and was recognized by the Speaker. "Mr. Speaker, as you know we have explored the question recently on whether or not an extraction made over the past few years for these programs are really taxes or fees. These document recording fees have moved in the last 9 years from the \$5 that it actually costs to process the paper to the current amount which is \$62. This bill before us moves the cost to \$72 while still providing only \$5 to cover the actual cost of processing the paper. Mr. Speaker I know that these changes in the past have been called fees, but as the total charges for the recording of a document continue to climb and the purpose continues to expand that we use the money for, have we not finally reached a point at which these extractions are now a tax? I ask this for review under initiative 1053, and if so, if it were deemed to be a tax it would require a 2/3 vote for approval. Thank you Mr. Speaker."

SPEAKER'S RULING

Mr. Speaker (Representative Moeller presiding): "Engrossed Substitute House Bill No. 2048 imposes a temporary surcharge on real property related documents that are required to be recorded or filed, with the proceeds used to fund programs that provide housing for the homeless. In determining whether a measure raises taxes as defined by Initiative 1053, codified at RCW 43.135.034, the Speaker considers whether the money raised is revenue for general government purposes, which is a tax, or a charge to a specific class of payors to provide a specific service or program related to that class, which is a fee. In prior rulings on a similar but smaller surcharge, the Speaker and the President of the Senate have both found the surcharge to be a fee for purposes of Initiative 1053 and its predecessors. This conclusion was based on the real and demonstrable nexus between activity in the real estate market, the cost of housing, and the availability of housing for those of very limited means. The extension of and increase in the surcharge proposed in Engrossed Substitute House Bill No. 2048 does not change that conclusion. Engrossed Substitute House Bill No. 2048 requires a constitutional majority of 50 for final passage."

Representatives Kenney, Maxwell, Angel, Frockt, Miloscia and Finn spoke in favor of the passage of the bill.

Representatives Ross, Orcutt, Smith, Takko, Walsh and DeBolt spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2048.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2048, and the bill passed the House by the following vote: Yeas, 52; Nays, 44; Absent, 0; Excused, 2.

Voting yea: Representatives Appleton, Billig, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts,

Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Blake, Buys, Chandler, Condotta, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Takko, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2048, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2053, by Representatives Clibborn, Morris, Rolfes, Liias, Reykdal, Billig, Ormsby, Finn, Seaquist and Lytton

Concerning additive transportation funding.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2053 was substituted for House Bill No. 2053 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2053 was read the second time.

With the consent of the house, amendments (774), (766), (786) and (844) were withdrawn.

Representative Clibborn moved the adoption of amendment (840).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes that for ensuing biennia, the Washington state patrol, ferry operations, as well as state and local roadway preservation and maintenance activities will soon experience significant funding shortfalls. The legislature further recognizes that existing law, enacted in 2002, requires the department of licensing to submit a fee study every two years to the transportation committees of the house of representatives and the senate, the purpose of which is to ensure cost recovery for transportation services. Based on the review of the department of licensing's fee study, the legislature will review and adjust fees accordingly each biennium to ensure that fees are adjusted and brought up-to-date. The legislature further recognizes that previous studies conducted by the joint transportation committee have recommended various fees adjustments. The legislature finds that many of the fee adjustments identified in these studies have not been made for several years. Therefore, it is the intent of the legislature to adjust certain fees for the sole purposes of addressing funding shortfalls in certain transportation programs, providing gap funding for local transportation entities along with roadway preservation for cities and counties, and bringing fees in-line with costs. Accordingly, the legislature intends to provide additional funding solely for: The Washington state patrol; the Washington state ferry operating and capital programs; the department of transportation highway maintenance and preservation programs; the department of transportation public transportation program; the transportation improvement board; the county road administration board; the freight mobility strategic investment board; the safe routes to schools program; and the state treasurer, for the purposes of debt service and

ancillary costs related to bonds issued to fund the construction of a ferry boat vessel.

I. APPROPRIATIONS

NEW SECTION. Sec. 2. (1) Additive transportation funding is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes for the period ending June 30, 2013.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout the act:

(a) "Lapse" means the amount shall return to unappropriated status.

(b) "LEAP" means the legislative evaluation and accountability program committee.

(c) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

NEW SECTION. Sec. 3. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account--State Appropriation	\$4,500,000
Highway Safety Account--State Appropriation	\$9,500,000
TOTAL APPROPRIATION	\$14,000,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,600,000 of the state patrol highway account--state appropriation is provided solely for the auto theft investigation units in King county, Spokane, and Tacoma.

(2) \$9,500,000 of the highway safety account--state appropriation and \$500,000 of the state patrol highway account--state appropriation are provided solely for equipment acquisition, installation, integration, and financing needs associated with the conversion of the existing communication system to narrowbanding as required by the federal communications commission.

(3) Except as otherwise provided in this section, the total appropriation in this section must be used by the Washington state patrol for the ongoing operations of the agency.

NEW SECTION. Sec. 4. FOR THE DEPARTMENT OF TRANSPORTATION-- HIGHWAY MAINTENANCE-- PROGRAM M

Motor Vehicle Account--State Appropriation	\$2,500,000
Highway Safety Account--State Appropriation	\$2,500,000

TOTAL APPROPRIATION \$5,000,000

The appropriations in this section are subject to the following conditions and limitations: \$2,500,000 of the motor vehicle account--state appropriation and \$2,500,000 of the highway safety account--state appropriation are provided solely to further reduce the highway maintenance backlog in order to maintain or increase levels of service.

NEW SECTION. Sec. 5. FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION-- PROGRAM V

Multimodal Transportation Account--State Appropriation	\$13,005,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section must be distributed statewide to transit entities as shown in LEAP Transportation Document 2011-TR1, as developed on May 24, 2011.

The basis for the distribution to each entity is the entity's pro rata share of the total passenger trips statewide by all transit entities in calendar years 2008 and 2009, as compiled by the public transportation program, except that no entity may receive less than one hundred thousand dollars and no entity may receive more than twenty percent of the appropriation in this section. Funding must be used for operations.

NEW SECTION. Sec. 6. FOR THE DEPARTMENT OF TRANSPORTATION-- MARINE--PROGRAM X

Motor Vehicle Account--State Appropriation	\$10,000,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) \$6,000,000 of the motor vehicle account--state appropriation is provided solely for the purchase of fuel for marine operations.

(2) \$4,000,000 of the motor vehicle account--state appropriation is provided solely to maintain the same level of service provided in the 2009-2011 fiscal biennium.

NEW SECTION. Sec. 7. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Highway Safety Account--State Appropriation	\$5,000,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely to help cities meet urgent preservation needs.

(2) \$4,500,000 of the highway safety account--state appropriation is provided solely for the urban arterial program.

(3) \$500,000 of the highway safety account--state appropriation is provided solely for the small city pavement program.

NEW SECTION. Sec. 8. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Highway Safety Account--State Appropriation	\$5,000,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the county arterial preservation program to help counties meet urgent preservation needs.

NEW SECTION. Sec. 9. FOR THE DEPARTMENT OF TRANSPORTATION-- PRESERVATION--PROGRAM P

Highway Safety Account--State Appropriation	\$5,000,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for urgent preservation needs on the state highway system.

NEW SECTION. Sec. 10. FOR THE DEPARTMENT OF TRANSPORTATION-- WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W

Transportation 2003 Account (Nickel Account)--State Appropriation	\$144,000,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) The transportation 2003 account (nickel account)--state appropriation is provided solely for the purposes of constructing a ferry boat vessel with a carrying capacity of at least one hundred forty-four cars.

(2) The transportation 2003 account (nickel account)--state appropriation includes up to \$144,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

NEW SECTION. Sec. 11. FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z-- CAPITAL

Highway Safety Account--State Appropriation	\$2,500,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) \$1,500,000 of the highway safety account--state appropriation is provided solely to the freight mobility strategic investment board for grants to meet urgent freight corridor improvement and preservation needs.

(2) \$1,000,000 of the highway safety account--state appropriation is provided solely for safe routes to schools program projects, in rank order, and identified as contingency projects in the LEAP Transportation Document 2011-A, pedestrian and bicycle safety program projects and safe routes to school program projects, referenced in chapter 367, Laws of 2011 (the omnibus transportation appropriations act).

NEW SECTION. Sec. 12. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account--State Appropriation
\$10,350,000

NEW SECTION. Sec. 13. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Transportation 2003 Account (Nickel Account)--State
Appropriation \$58,000

II. DRIVER FEES

Sec. 14. RCW 46.20.055 and 2010 c 223 s 1 are each amended to read as follows:

(1) **Driver's instruction permit.** The department may issue a driver's instruction permit with or without a photograph to an applicant who has successfully passed all parts of the examination other than the driving test, provided the information required by RCW 46.20.091, paid a fee (~~of twenty dollars~~) as required under subsection (5) of this section, and meets the following requirements:

(a) Is at least fifteen and one-half years of age; or

(b) Is at least fifteen years of age and:

(i) Has submitted a proper application; and

(ii) Is enrolled in a traffic safety education program offered, approved, and accredited by the superintendent of public instruction or offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW, that includes practice driving.

(2) **Waiver of written examination for instruction permit.** The department may waive the written examination, if, at the time of application, an applicant is enrolled in:

(a) A traffic safety education course as defined by RCW 28A.220.020(2); or

(b) A course of instruction offered by a licensed driver training school as defined by RCW 46.82.280.

The department may require proof of registration in such a course as it deems necessary.

(3) **Effect of instruction permit.** A person holding a driver's instruction permit may drive a motor vehicle, other than a motorcycle, upon the public highways if:

(a) The person has immediate possession of the permit;

(b) The person is not using a wireless communications device, unless the person is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property; and

(c) An approved instructor, or a licensed driver with at least five years of driving experience, occupies the seat beside the driver.

(4) **Term of instruction permit.** A driver's instruction permit is valid for one year from the date of issue.

(a) The department may issue one additional one-year permit.

(b) The department may issue a third driver's permit if it finds after an investigation that the permittee is diligently seeking to improve driving proficiency.

(c) A person applying to (~~renew an~~) receive a second or third instruction permit must submit the application to the department in person and pay a twenty-five dollar fee.

(5) **Examination fee.** An applicant who takes the examination required under this section must pay a fee of twenty-five dollars for each examination taken, irrespective of passage or failure.

Sec. 15. RCW 46.20.117 and 2005 c 314 s 305 are each amended to read as follows:

(1) **Issuance.** The department shall issue an identicard, containing a picture, if the applicant:

(a) Does not hold a valid Washington driver's license;

(b) Proves his or her identity as required by RCW 46.20.035; and

(c) Pays the required fee. The fee is (~~twenty~~) twenty-five dollars unless an applicant is a recipient of continuing public assistance grants under Title 74 RCW, who is referred in writing by the secretary of social and health services. For those persons the fee must be the actual cost of production of the identicard.

(2) **Design and term.** The identicard must:

(a) Be distinctly designed so that it will not be confused with the official driver's license; and

(b) Expire on the fifth anniversary of the applicant's birthdate after issuance.

(3) **Renewal.** An application for identicard renewal may be submitted by means of:

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her identicard by mail or by electronic commerce when it last expired. However, the department may accept an application for renewal of an identicard submitted by means of mail or electronic commerce only if specific authority and funding is provided for this purpose by June 30, 2004, in the omnibus transportation appropriations act.

An identicard may not be renewed by mail or by electronic commerce unless the renewal issued by the department includes a photograph of the identicard holder.

(4) **Cancellation.** The department may cancel an identicard if the holder of the identicard used the card or allowed others to use the card in violation of RCW 46.20.0921.

Sec. 16. RCW 46.20.120 and 2005 c 314 s 306 and 2005 c 61 s 2 are each reenacted and amended to read as follows:

An applicant for a new or renewed driver's license must successfully pass a driver licensing examination to qualify for a driver's license. The department shall give examinations at places and times reasonably available to the people of this state.

(1) **Waiver.** The department may waive:

(a) All or any part of the examination of any person applying for the renewal of a driver's license unless the department determines that the applicant is not qualified to hold a driver's license under this title; or

(b) All or any part of the examination involving operating a motor vehicle if the applicant:

(i) Surrenders a valid driver's license issued by the person's previous home state; or

(ii) Provides for verification a valid driver's license issued by a foreign driver licensing jurisdiction with which the department has an informal agreement under RCW 46.20.125; and

(iii) Is otherwise qualified to be licensed.

(2) **Fee.** Each applicant for a new license must pay an examination fee of (~~twenty~~) thirty-five dollars.

(a) The examination fee is in addition to the fee charged for issuance of the license.

(b) "New license" means a license issued to a driver:

(i) Who has not been previously licensed in this state; or

(ii) Whose last previous Washington license has been expired for more than five years.

(3) An application for driver's license renewal may be submitted by means of:

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her license by mail or by electronic commerce when it last expired. ~~((However, the department may accept an application for renewal of a driver's license submitted by means of mail or electronic commerce only if specific authority and funding is provided for this purpose by June 30, 2004, in the omnibus transportation appropriations act.))~~

(4) A person whose license expired or will expire while he or she is living outside the state, may:

(a) Apply to the department to extend the validity of his or her license for no more than twelve months. If the person establishes to the department's satisfaction that he or she is unable to return to Washington before the date his or her license expires, the department shall extend the person's license. The department may grant consecutive extensions, but in no event may the cumulative total of extensions exceed twelve months. An extension granted under this section does not change the expiration date of the license for purposes of RCW 46.20.181. The department shall charge a fee of five dollars for each license extension;

(b) Apply to the department to renew his or her license by mail or, if permitted by rule of the department, by electronic commerce even if subsection (3)(b) of this section would not otherwise allow renewal by that means. If the person establishes to the department's satisfaction that he or she is unable to return to Washington within twelve months of the date that his or her license expires, the department shall renew the person's license by mail or, if permitted by rule of the department, by electronic commerce.

(5) If a qualified person submits an application for renewal under subsection (3)(b) or (4)(b) of this section, he or she is not required to pass an examination nor provide an updated photograph. A license renewed by mail or by electronic commerce that does not include a photograph of the licensee must be labeled "not valid for identification purposes."

Sec. 17. RCW 46.20.200 and 2002 c 352 s 14 are each amended to read as follows:

(1) If an instruction permit, identicard, or a driver's license is lost or destroyed, the person to whom it was issued may obtain a duplicate of it upon furnishing proof of such fact satisfactory to the department and payment of a fee of ~~((fifteen))~~ twenty dollars to the department.

(2) A replacement permit, identicard, or driver's license may be obtained to change or correct material information upon payment of a fee of ten dollars and surrender of the permit, identicard, or driver's license being replaced.

Sec. 18. RCW 46.20.308 and 2008 c 282 s 2 are each amended to read as follows:

(1) Any person who operates a motor vehicle within this state is deemed to have given consent, subject to the provisions of RCW 46.61.506, to a test or tests of his or her breath or blood for the purpose of determining the alcohol concentration or presence of any drug in his or her breath or blood if arrested for any offense where, at the time of the arrest, the arresting officer has reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle while under the influence of intoxicating liquor or any drug or was in violation of RCW 46.61.503. Neither consent nor this section precludes a police officer from obtaining a search warrant for a person's breath or blood.

(2) The test or tests of breath shall be administered at the direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or the person to have been driving or in actual

physical control of a motor vehicle while having alcohol in a concentration in violation of RCW 46.61.503 in his or her system and being under the age of twenty-one. However, in those instances where the person is incapable due to physical injury, physical incapacity, or other physical limitation, of providing a breath sample or where the person is being treated in a hospital, clinic, doctor's office, emergency medical vehicle, ambulance, or other similar facility or where the officer has reasonable grounds to believe that the person is under the influence of a drug, a blood test shall be administered by a qualified person as provided in RCW 46.61.506(5). The officer shall inform the person of his or her right to refuse the breath or blood test, and of his or her right to have additional tests administered by any qualified person of his or her choosing as provided in RCW 46.61.506. The officer shall warn the driver, in substantially the following language, that:

(a) If the driver refuses to take the test, the driver's license, permit, or privilege to drive will be revoked or denied for at least one year; and

(b) If the driver refuses to take the test, the driver's refusal to take the test may be used in a criminal trial; and

(c) If the driver submits to the test and the test is administered, the driver's license, permit, or privilege to drive will be suspended, revoked, or denied for at least ninety days if the driver is age twenty-one or over and the test indicates the alcohol concentration of the driver's breath or blood is 0.08 or more, or if the driver is under age twenty-one and the test indicates the alcohol concentration of the driver's breath or blood is 0.02 or more, or if the driver is under age twenty-one and the driver is in violation of RCW 46.61.502 or 46.61.504; and

(d) If the driver's license, permit, or privilege to drive is suspended, revoked, or denied the driver may be eligible to immediately apply for an ignition interlock driver's license.

(3) Except as provided in this section, the test administered shall be of the breath only. If an individual is unconscious or is under arrest for the crime of vehicular homicide as provided in RCW 46.61.520 or vehicular assault as provided in RCW 46.61.522, or if an individual is under arrest for the crime of driving while under the influence of intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest results from an accident in which there has been serious bodily injury to another person, a breath or blood test may be administered without the consent of the individual so arrested.

(4) Any person who is dead, unconscious, or who is otherwise in a condition rendering him or her incapable of refusal, shall be deemed not to have withdrawn the consent provided by subsection (1) of this section and the test or tests may be administered, subject to the provisions of RCW 46.61.506, and the person shall be deemed to have received the warnings required under subsection (2) of this section.

(5) If, following his or her arrest and receipt of warnings under subsection (2) of this section, the person arrested refuses upon the request of a law enforcement officer to submit to a test or tests of his or her breath or blood, no test shall be given except as authorized under subsection (3) or (4) of this section.

(6) If, after arrest and after the other applicable conditions and requirements of this section have been satisfied, a test or tests of the person's blood or breath is administered and the test results indicate that the alcohol concentration of the person's breath or blood is 0.08 or more if the person is age twenty-one or over, or 0.02 or more if the person is under the age of twenty-one, or the person refuses to submit to a test, the arresting officer or other law enforcement officer at whose direction any test has been given, or the department, where applicable, if the arrest results in a test of the person's blood, shall:

(a) Serve notice in writing on the person on behalf of the department of its intention to suspend, revoke, or deny the person's license, permit, or privilege to drive as required by subsection (7) of this section;

(b) Serve notice in writing on the person on behalf of the department of his or her right to a hearing, specifying the steps he or she must take to obtain a hearing as provided by subsection (8) of this section and that the person waives the right to a hearing if he or she receives an ignition interlock driver's license;

(c) Mark the person's Washington state driver's license or permit to drive, if any, in a manner authorized by the department;

(d) Serve notice in writing that the marked license or permit, if any, is a temporary license that is valid for sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or until the suspension, revocation, or denial of the person's license, permit, or privilege to drive is sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first. No temporary license is valid to any greater degree than the license or permit that it replaces; and

(e) Immediately notify the department of the arrest and transmit to the department within seventy-two hours, except as delayed as the result of a blood test, a sworn report or report under a declaration authorized by RCW 9A.72.085 that states:

(i) That the officer had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or was under the age of twenty-one years and had been driving or was in actual physical control of a motor vehicle while having an alcohol concentration in violation of RCW 46.61.503;

(ii) That after receipt of the warnings required by subsection (2) of this section the person refused to submit to a test of his or her blood or breath, or a test was administered and the results indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person is age twenty-one or over, or was 0.02 or more if the person is under the age of twenty-one; and

(iii) Any other information that the director may require by rule.

(7) The department of licensing, upon the receipt of a sworn report or report under a declaration authorized by RCW 9A.72.085 under subsection (6)(e) of this section, shall suspend, revoke, or deny the person's license, permit, or privilege to drive or any nonresident operating privilege, as provided in RCW 46.20.3101, such suspension, revocation, or denial to be effective beginning sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or when sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first.

(8) A person receiving notification under subsection (6)(b) of this section may, within twenty days after the notice has been given, request in writing a formal hearing before the department. The person shall pay a fee of ~~((two))~~ three hundred seventy-five dollars as part of the request. If the request is mailed, it must be postmarked within twenty days after receipt of the notification. Upon timely receipt of such a request for a formal hearing, including receipt of the required ~~((two))~~ three hundred seventy-five dollar fee, the department shall afford the person an opportunity for a hearing. The department may waive the required ~~((two))~~ three hundred seventy-five dollar fee if the person is an indigent as defined in RCW 10.101.010. Except as otherwise provided in this section, the hearing is subject to and shall be scheduled and conducted in accordance with RCW 46.20.329 and 46.20.332. The hearing shall be conducted in the county of the arrest, except that all or part of the hearing may, at the discretion of the department, be conducted by telephone or other electronic means. The hearing shall be held within sixty days following the arrest or following the date notice has been given in the event notice is given by the department following a blood test, unless otherwise agreed to by the department and the person, in which case the action by the department shall be stayed, and any valid temporary license marked under subsection (6)(c) of this section extended, if the person is otherwise eligible for licensing. For the purposes of this section, the

scope of the hearing shall cover the issues of whether a law enforcement officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more if the person was under the age of twenty-one, whether the person was placed under arrest, and (a) whether the person refused to submit to the test or tests upon request of the officer after having been informed that such refusal would result in the revocation of the person's license, permit, or privilege to drive, or (b) if a test or tests were administered, whether the applicable requirements of this section were satisfied before the administration of the test or tests, whether the person submitted to the test or tests, or whether a test was administered without express consent as permitted under this section, and whether the test or tests indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person was age twenty-one or over at the time of the arrest, or 0.02 or more if the person was under the age of twenty-one at the time of the arrest. The sworn report or report under a declaration authorized by RCW 9A.72.085 submitted by a law enforcement officer is prima facie evidence that the officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or the person had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more and was under the age of twenty-one and that the officer complied with the requirements of this section.

A hearing officer shall conduct the hearing, may issue subpoenas for the attendance of witnesses and the production of documents, and shall administer oaths to witnesses. The hearing officer shall not issue a subpoena for the attendance of a witness at the request of the person unless the request is accompanied by the fee required by RCW 5.56.010 for a witness in district court. The sworn report or report under a declaration authorized by RCW 9A.72.085 of the law enforcement officer and any other evidence accompanying the report shall be admissible without further evidentiary foundation and the certifications authorized by the criminal rules for courts of limited jurisdiction shall be admissible without further evidentiary foundation. The person may be represented by counsel, may question witnesses, may present evidence, and may testify. The department shall order that the suspension, revocation, or denial either be rescinded or sustained.

(9) If the suspension, revocation, or denial is sustained after such a hearing, the person whose license, privilege, or permit is suspended, revoked, or denied has the right to file a petition in the superior court of the county of arrest to review the final order of revocation by the department in the same manner as an appeal from a decision of a court of limited jurisdiction. Notice of appeal must be filed within thirty days after the date the final order is served or the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ 1.1, or other statutes or rules referencing de novo review, the appeal shall be limited to a review of the record of the administrative hearing. The appellant must pay the costs associated with obtaining the record of the hearing before the hearing officer. The filing of the appeal does not stay the effective date of the suspension, revocation, or denial. A petition filed under this subsection must include the petitioner's grounds for requesting review. Upon granting petitioner's request for review, the court shall review the department's final order of suspension, revocation, or denial as expeditiously as possible. The review must be limited to a determination of whether the department has committed any errors of law. The superior court shall accept those factual determinations supported by substantial evidence in the record: (a) That were expressly made by the department; or (b) that may reasonably be inferred from the final order of the department.

The superior court may reverse, affirm, or modify the decision of the department or remand the case back to the department for further proceedings. The decision of the superior court must be in writing and filed in the clerk's office with the other papers in the case. The court shall state the reasons for the decision. If judicial relief is sought for a stay or other temporary remedy from the department's action, the court shall not grant such relief unless the court finds that the appellant is likely to prevail in the appeal and that without a stay the appellant will suffer irreparable injury. If the court stays the suspension, revocation, or denial it may impose conditions on such stay.

(10)(a) If a person whose driver's license, permit, or privilege to drive has been or will be suspended, revoked, or denied under subsection (7) of this section, other than as a result of a breath or blood test refusal, and who has not committed an offense for which he or she was granted a deferred prosecution under chapter 10.05 RCW, petitions a court for a deferred prosecution on criminal charges arising out of the arrest for which action has been or will be taken under subsection (7) of this section, or notifies the department of licensing of the intent to seek such a deferred prosecution, then the license suspension or revocation shall be stayed pending entry of the deferred prosecution. The stay shall not be longer than one hundred fifty days after the date charges are filed, or two years after the date of the arrest, whichever time period is shorter. If the court stays the suspension, revocation, or denial, it may impose conditions on such stay. If the person is otherwise eligible for licensing, the department shall issue a temporary license, or extend any valid temporary license marked under subsection (6) of this section, for the period of the stay. If a deferred prosecution treatment plan is not recommended in the report made under RCW 10.05.050, or if treatment is rejected by the court, or if the person declines to accept an offered treatment plan, or if the person violates any condition imposed by the court, then the court shall immediately direct the department to cancel the stay and any temporary marked license or extension of a temporary license issued under this subsection.

(b) A suspension, revocation, or denial imposed under this section, other than as a result of a breath or blood test refusal, shall be stayed if the person is accepted for deferred prosecution as provided in chapter 10.05 RCW for the incident upon which the suspension, revocation, or denial is based. If the deferred prosecution is terminated, the stay shall be lifted and the suspension, revocation, or denial reinstated. If the deferred prosecution is completed, the stay shall be lifted and the suspension, revocation, or denial canceled.

(c) The provisions of (b) of this subsection relating to a stay of a suspension, revocation, or denial and the cancellation of any suspension, revocation, or denial do not apply to the suspension, revocation, denial, or disqualification of a person's commercial driver's license or privilege to operate a commercial motor vehicle.

(11) When it has been finally determined under the procedures of this section that a nonresident's privilege to operate a motor vehicle in this state has been suspended, revoked, or denied, the department shall give information in writing of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which he or she has a license.

III. VEHICLE FEES

Sec. 19. RCW 46.17.005 and 2010 c 161 s 501 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a (~~three~~) seven dollar filing fee in addition to any other fees and taxes required by law.

(2) A person who applies for a certificate of title shall pay a (~~four~~) eight dollar filing fee in addition to any other fees and taxes required by law.

(3) The filing fees established in this section must be distributed under RCW 46.68.400.

Sec. 20. RCW 46.17.100 and 2010 c 161 s 508 are each amended to read as follows:

Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a (~~five~~) fifteen dollar application fee in addition to any other fees and taxes required by law. The certificate of title application fee must be distributed under RCW 46.68.020.

Sec. 21. RCW 46.17.140 and 2010 c 161 s 512 are each amended to read as follows:

The penalty for a late transfer under RCW 46.12.650(7) is (~~twenty-five~~) fifty dollars assessed on the sixteenth day after the date of delivery and two dollars for each additional day thereafter, but the total penalty must not exceed one hundred twenty-five dollars. The penalty must be distributed under RCW 46.68.020.

Sec. 22. RCW 46.17.200 and 2011 c 171 s 56 are each amended to read as follows:

(1) In addition to all other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge:

(a) The following license plate fees for each license plate, unless the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
<u>Original issue</u>	<u>\$10.00</u>	<u>RCW 46.68.070</u>
Reflectivity	\$2.00	RCW 46.68.070
Replacement	\$10.00	RCW 46.68.070
<u>Original issue,</u> <u>motorcycle</u>	<u>\$2.00</u>	<u>RCW 46.68.070</u>
Replacement, motorcycle	\$2.00	RCW 46.68.070
Original issue, moped	\$1.50	RCW 46.68.070

(b) A license plate retention fee, as required under RCW 46.16A.200(10)(a)(iii), of twenty dollars if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from payment. The twenty dollar fee must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) A ten dollar license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ten dollar license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a five dollar license plate fee, in addition to any other fee required by law.

(2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to five dollars per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

IV. MISCELLANEOUS FEES

Sec. 23. RCW 46.52.130 and 2010 c 253 s 1 are each amended to read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

- (i) The total number of vehicles involved;
- (ii) Whether the vehicles were legally parked or moving;
- (iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(ii) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employee or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(iii) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for

purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

(v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **City attorneys and county prosecuting attorneys.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.

(i) **Superintendent of public instruction.** An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(3) **Release to third parties prohibited.** Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(4) **Fee.** The director shall collect a ~~((ten dollar))~~ twelve dollar fee for each abstract of a person's driving record furnished by the department. Fifty percent of the fee must be deposited in the highway safety fund, and fifty percent of the fee must be deposited according to RCW 46.68.038.

(5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

Sec. 24. RCW 46.29.050 and 2010 c 8 s 9028 are each amended to read as follows:

(1) The department shall upon request furnish any person or his or her attorney a certified abstract of his or her driving record, which abstract shall include enumeration of any motor vehicle accidents in which such person has been involved. Such abstract shall (a) indicate the total number of vehicles involved, whether the vehicles were legally parked or moving, and whether the vehicles were occupied at the time of the accident; and (b) contain reference to any convictions of the person for violation of the motor vehicle laws as reported to the department, reference to any findings that the person has committed a traffic infraction which have been reported to the department, and a record of any vehicles registered in the name of the person. ~~((The department shall collect for each abstract the sum of ten dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.))~~

(2) The department shall upon request furnish any person who may have been injured in person or property by any motor vehicle, with an abstract of all information of record in the department pertaining to the evidence of the ability of any driver or owner of any motor vehicle to respond in damages. ~~((The department shall collect for each abstract the sum of ten dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.))~~

(3) For each abstract furnished under this section, the department must collect and administer a fee as required in RCW 46.52.130.

Sec. 25. RCW 46.20.293 and 2007 c 424 s 1 are each amended to read as follows:

The department is authorized to provide juvenile courts with the department's record of traffic charges compiled under RCW 46.52.101 and 13.50.200, against any minor upon the request of any state juvenile court or duly authorized officer of any juvenile court of this state. Further, the department is authorized to provide any juvenile court with any requested service which the department can reasonably perform which is not inconsistent with its legal authority which substantially aids juvenile courts in handling traffic cases and which promotes highway safety.

The department is authorized to furnish to the parent, parents, or guardian of any person under eighteen years of age who is not emancipated from such parent, parents, or guardian, the department records of traffic charges compiled against the person and shall collect for the copy a fee of ~~((ten))~~ twelve dollars, fifty percent of which must be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

NEW SECTION. **Sec. 26.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 27.** Sections 14 through 25 of this act apply to vehicle registrations that are due or become due on or after January 1, 2012.

NEW SECTION. **Sec. 28.** This act takes effect January 1, 2012."

Correct the title.

Representative Liias moved the adoption of amendment (848) to amendment (840).

0)

On page 4, line 11 of the striking amendment, after "preservation" insert "and storm water"

On page 5, after line 12 of the striking amendment, insert the following:

"Motor Vehicle Account--State Appropriation \$2,000,000
TOTAL APPROPRIATION \$4,500,000"

On page 5, at the beginning of line 20 of the striking amendment, strike "is" and insert "and \$2,000,000 of the motor vehicle account--state appropriation are"

Representative Liias spoke in favor of the adoption of the amendment to the amendment.

Amendment (848) was adopted.

Representatives Clibborn and Armstrong spoke in favor of the adoption of amendment (840) as amended.

Amendment (840) was adopted as amended.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Clibborn, Liias and Lytton spoke in favor of the passage of the bill.

Representatives Condotta, Taylor, Shea and Armstrong spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2053.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2053, and the bill passed the House by the following vote: Yeas, 53; Nays, 43; Absent, 0; Excused, 2.

Voting yea: Representatives Appleton, Billig, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Blake, Buys, Chandler, Condotta, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox, Wylie and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2053, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Moeller presiding) called upon Representative Van De Wege to preside.

There being no objection, the House reverted to the fourth order of business.

INTRODUCTIONS AND FIRST READING

There being no objection, ENGROSSED SUBSTITUTE SENATE BILL NO. 5834 was placed on the second reading calendar.

The Speaker (Representative Van de Wege presiding) called upon Representative Moeller to preside.

MESSAGE FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE HOUSE BILL 1548
ENGROSSED HOUSE BILL 2003

and the same are herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House advanced to the sixth order of business.

SECOND READING

SECOND SUBSTITUTE SENATE BILL NO. 5459, by Senate Committee on Ways & Means (originally sponsored by Senators Kline, Keiser, Regala and McAuliffe)

Regarding transition services for people with developmental disabilities. Revised for 2nd Substitute: Regarding services for people with developmental disabilities.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Ways & Means was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 28, May 23, 2011).

Representative Appleton moved the adoption of amendment (837) to the committee amendment:

On page 5, line 17 of the striking amendment, after "county" strike all material through "~~county~~)" on page 5, line 18, and insert "; and Frances Haddon Morgan Children's Center, located at Bremerton, Kitsap county"

On page 5, line 19 of the striking amendment, after "(2) The" insert "Frances Haddon Morgan Children's Center, located at Bremerton, Kitsap county, and the"

On page 5, line 20 of the striking amendment, after "as" strike "a residential habilitation center" and insert "residential habilitation centers"

On page 5, line 21 of the striking amendment, after "section 6" strike "(2)" and insert "(1)"

On page 5, beginning on line 24 of the striking amendment, strike all of subsection (1)

Renumber the remaining subsections consecutively and correct internal references accordingly.

On page 5, line 33 of the striking amendment, after "new admission to" insert "Frances Haddon Morgan Children's Center or"

On page 6, line 1 of the striking amendment, after "permanent resident of" insert "Frances Haddon Morgan Children's Center or"

On page 6, line 4 of the striking amendment, after "The" insert "Frances Haddon Morgan Children's Center and the"

On page 6, beginning on line 4 of the striking amendment, after "operate as" strike "a residential habilitation center" and insert "residential habilitation centers"

On page 6, line 5 of the striking amendment, after "such time that" strike "the census of permanent residents has reached sixteen persons" and insert "no client receiving residential habilitation center services on the effective date of this section requires such services"

On page 6, line 8 of the striking amendment, after "living alternatives" insert "at both Frances Haddon Morgan Children's Center and Yakima Valley School"

On page 6, beginning on line 10 of the striking amendment, after "implementation of" strike "subsections (1) and (2)" and insert "subsection (1)"

On page 6, line 15 of the striking amendment, after "alternative." insert "State-operated living alternatives established under this subsection (1)(b) must be licensed as intermediate care facilities for the mentally retarded and must be licensed to provide active treatment."

On page 9, line 31 of the striking amendment, after "the mission of" insert "Frances Haddon Morgan Children's Center and"

Representatives Appleton, Alexander, Angel, Rolfes and Ryu spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Dickerson, Hunter and Kagi spoke against the adoption of the amendment to the committee amendment.

Amendment (837) was not adopted.

The committee amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill as amended by the House, was placed on final passage.

Representatives Dickerson, Ross and Walsh spoke in favor of the passage of the bill.

Representative Alexander spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Second Substitute Senate Bill No. 5459, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 5459, as amended by the House, and the bill passed the House by the following vote: Yeas, 63; Nays, 33; Absent, 0; Excused, 2.

Voting yea: Representatives Anderson, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Condotta, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Green, Haigh, Haler, Hargrove, Harris, Hinkle, Hope, Hudgins, Hunter, Jinkins, Johnson, Kagi, Kelley, Kenney, Klippert, Kristiansen, Lytton, Maxwell, Miloscia, Moeller, Morris, Nealey, Orcutt, Orwall, Pearson, Pedersen, Pettigrew, Probst, Rivers, Roberts, Rodne, Ross, Santos, Seaquist, Smith, Springer, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Appleton, Buys, Dahlquist, Dammeier, DeBolt, Fagan, Frockt, Goodman, Hasegawa, Hunt, Hurst, Kirby, Kretz, Ladenburg, Liias, McCoy, Moscoso, Ormsby, Overstreet, Parker, Reykdal, Rolfes, Ryu, Schmick, Sells, Shea, Short, Stanford, Wilcox and Zeiger.

Excused: Representatives Crouse and McCune.

SECOND SUBSTITUTE SENATE BILL NO. 5459, as amended by the House, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE SENATE BILL 5860 and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

There being no objection, the House advanced to the eighth order of business.

There being no objection, ENGROSSED SUBSTITUTE SENATE BILL NO. 5860 was read the first time, and under suspension of the rules was placed on the second reading calendar.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

HOUSE BILL NO. 1410, by Representatives Santos, Dammeier, Probst and Liias

Regarding science end-of-course assessments.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1410 was substituted for House Bill No. 1410 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1410 was read the second time.

With the consent of the house, amendments (780), (787), (802), (793), (807), (853), (823), (800), (801), (805), (806), (815) and (824) were withdrawn.

Representative Dammeier moved the adoption of amendment (822).

0) Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature continues to support end-of-course assessments as a fair and practical way to measure students' knowledge and skills in high school science, but the legislature also recognizes that there are important scientific concepts, principles, and content that are not able to be captured in a single course or a single assessment. The legislature also does not wish to narrow the high school science curriculum to a singular focus on biology.

(2) However, the legislature finds that the financial resources for developing additional end-of-course assessments for high school science are not available in the 2011-13 biennium. Nevertheless, the legislature intends to revisit this issue in the future and further intends at an appropriate time to direct the superintendent of public instruction to develop one or more end-of-course assessments in additional science subjects.

Sec. 2. RCW 28A.655.061 and 2010 c 244 s 1 are each amended to read as follows:

(1) The high school assessment system shall include but need not be limited to the ~~((Washington)) statewide student~~ assessment ~~((of student learning))~~, opportunities for a student to retake the content areas of the assessment in which the student was not successful, and, if approved by the legislature pursuant to subsection (10) of this section, one or more objective alternative assessments for a student to demonstrate achievement of state academic standards. The objective alternative assessments for each content area shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the ~~((Washington)) statewide student~~ assessment ~~((of student learning))~~ for each content area.

(2) Subject to the conditions in this section, a certificate of academic achievement shall be obtained by most students at about the age of sixteen, and is evidence that the students have successfully met the state standard in the content areas included in the certificate. With the exception of students satisfying the provisions of RCW 28A.155.045 or 28A.655.0611, acquisition of the certificate is required for graduation from a public high school but is not the only requirement for graduation.

(3) Beginning with the graduating class of 2008, with the exception of students satisfying the provisions of RCW 28A.155.045, a student who meets the state standards on the reading, writing, and mathematics content areas of the high school ~~((Washington)) statewide student~~ assessment ~~((of student learning))~~ shall earn a certificate of academic achievement. If a student does not successfully meet the state standards in one or more content areas required for the certificate of academic achievement, then the student may retake the assessment in the content area up to four times at no cost to the student. If the student successfully meets the state

standards on a retake of the assessment then the student shall earn a certificate of academic achievement. Once objective alternative assessments are authorized pursuant to subsection (10) of this section, a student may use the objective alternative assessments to demonstrate that the student successfully meets the state standards for that content area if the student has taken the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~ at least once. If the student successfully meets the state standards on the objective alternative assessments then the student shall earn a certificate of academic achievement.

(4) Beginning ~~((no later than))~~ with the graduating class of ~~((2013))~~ 2015, a student must meet the state standards in science in addition to the other content areas required under subsection (3) of this section on the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~ or the objective alternative assessments in order to earn a certificate of academic achievement. ~~((The state board of education may adopt a rule that implements the requirements of this subsection (4) beginning with a graduating class before the graduating class of 2013, if the state board of education adopts the rule by September 1st of the freshman school year of the graduating class to which the requirements of this subsection (4) apply. The state board of education's authority under this subsection (4) does not alter the requirement that any change in performance standards for the tenth grade assessment must comply with RCW 28A.305.130.))~~

(5) The state board of education may not require the acquisition of the certificate of academic achievement for students in home-based instruction under chapter 28A.200 RCW, for students enrolled in private schools under chapter 28A.195 RCW, or for students satisfying the provisions of RCW 28A.155.045.

(6) A student may retain and use the highest result from each successfully completed content area of the high school assessment.

(7) School districts must make available to students the following options:

(a) To retake the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~ up to four times in the content areas in which the student did not meet the state standards if the student is enrolled in a public school; or

(b) To retake the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~ up to four times in the content areas in which the student did not meet the state standards if the student is enrolled in a high school completion program at a community or technical college. The superintendent of public instruction and the state board for community and technical colleges shall jointly identify means by which students in these programs can be assessed.

(8) Students who achieve the standard in a content area of the high school assessment but who wish to improve their results shall pay for retaking the assessment, using a uniform cost determined by the superintendent of public instruction.

(9) Opportunities to retake the assessment at least twice a year shall be available to each school district.

(10)(a) The office of the superintendent of public instruction shall develop options for implementing objective alternative assessments, which may include an appeals process for students' scores, for students to demonstrate achievement of the state academic standards. The objective alternative assessments shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~ and be objective in its determination of student achievement of the state standards. Before any objective alternative assessments in addition to those authorized in RCW 28A.655.065 or (b) of this subsection are used by a student to demonstrate that the student has met the state standards in a content area required to obtain a certificate, the legislature shall formally approve the use of any objective alternative assessments through the omnibus appropriations act or by statute or concurrent resolution.

(b)(i) A student's score on the mathematics, reading or English, or writing portion of the SAT or the ACT may be used as an objective alternative assessment under this section for demonstrating that a student has met or exceeded the state standards for the certificate of academic achievement. The state board of education shall identify the scores students must achieve on the relevant portion of the SAT or ACT to meet or exceed the state standard in the relevant content area on the ~~((Washington))~~ statewide student assessment ~~((of student learning. The state board of education shall identify the first scores by December 1, 2007)).~~ A student's score on the science portion of the ACT or the science subject area tests of the SAT may be used as an objective alternative assessment under this section as soon as the state board of education determines that sufficient data is available to identify reliable equivalent scores for the science content area of the statewide student assessment. After the first scores are established, the state board may increase but not decrease the scores required for students to meet or exceed the state standards.

(ii) ~~((Until August 31, 2008, a student's score on the mathematics portion of the PSAT may be used as an objective alternative assessment under this section for demonstrating that a student has met or exceeded the state standard for the certificate of academic achievement. The state board of education shall identify the score students must achieve on the mathematics portion of the PSAT to meet or exceed the state standard in that content area on the Washington assessment of student learning.~~

(iii) A student who scores at least a three on the grading scale of one to five for selected AP examinations may use the score as an objective alternative assessment under this section for demonstrating that a student has met or exceeded state standards for the certificate of academic achievement. A score of three on the AP examinations in calculus or statistics may be used as an alternative assessment for the mathematics portion of the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~. A score of three on the AP examinations in English language and composition may be used as an alternative assessment for the writing portion of the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~. A score of three on the AP examinations in English literature and composition, macroeconomics, microeconomics, psychology, United States history, world history, United States government and politics, or comparative government and politics may be used as an alternative assessment for the reading portion of the ~~((Washington))~~ statewide student assessment ~~((of student learning))~~. A score of three on the AP examination in biology, physics, chemistry, or environmental science may be used as an alternative assessment for the science portion of the statewide student assessment.

(11) By December 15, 2004, the house of representatives and senate education committees shall obtain information and conclusions from recognized, independent, national assessment experts regarding the validity and reliability of the high school Washington assessment of student learning for making individual student high school graduation determinations.

(12) To help assure continued progress in academic achievement as a foundation for high school graduation and to assure that students are on track for high school graduation, each school district shall prepare plans for and notify students and their parents or legal guardians as provided in this subsection. Student learning plans are required for eighth grade students who were not successful on any or all of the content areas of the state assessment during the previous school year or who may not be on track to graduate due to credit deficiencies or absences. The parent or legal guardian shall be notified about the information in the student learning plan, preferably through a parent conference and at least annually. To the extent feasible, schools serving English language learner students and their parents shall translate the plan into the primary language of the family. The plan shall include the following information as applicable:

- (a) The student's results on the state assessment;
- (b) If the student is in the transitional bilingual program, the score on his or her Washington language proficiency test II;
- (c) Any credit deficiencies;
- (d) The student's attendance rates over the previous two years;
- (e) The student's progress toward meeting state and local graduation requirements;
- (f) The courses, competencies, and other steps needed to be taken by the student to meet state academic standards and stay on track for graduation;
- (g) Remediation strategies and alternative education options available to students, including informing students of the option to continue to receive instructional services after grade twelve or until the age of twenty-one;
- (h) The alternative assessment options available to students under this section and RCW 28A.655.065;
- (i) School district programs, high school courses, and career and technical education options available for students to meet graduation requirements; and
- (j) Available programs offered through skill centers or community and technical colleges, including the college high school diploma options under RCW 28B.50.535.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.655 RCW to read as follows:

(1) Beginning in the 2011-12 school year, the statewide high school assessment in science shall be an end-of-course assessment for biology that measures the state standards for life sciences, in addition to systems, inquiry, and application as they pertain to life sciences.

(2) The superintendent of public instruction may develop science end-of-course assessments in subjects in addition to biology for purposes of RCW 28A.655.061, when so directed by the legislature.

(3) The superintendent of public instruction may participate with consortia of multiple states as common student learning standards and assessments in science are developed. The superintendent of public instruction, in consultation with the state board of education, may modify the essential academic learning requirements and statewide student assessments in science, including the high school assessment, according to the multistate common student learning standards and assessments as long as the education committees of the legislature have opportunities for review before the modifications are adopted, as provided under RCW 28A.655.070.

(4) The statewide high school assessment under this section shall be used to demonstrate that a student meets the state standards in the science content area of the statewide student assessment for purposes of RCW 28A.655.061."

Correct the title.

Representative Hunt moved the adoption of amendment (852) to amendment (822).

0)

On page 1, after line 17 of the striking amendment, insert the following:

"NEW SECTION. Sec. 2. A new section is added to chapter 28A.655 RCW to read as follows:

Beginning with the graduating class of 2014, students may graduate from high school without earning a certificate of academic achievement or a certificate of individual achievement if they:

(1) Have not successfully met the science standard on the statewide high school science assessment, an approved objective alternative assessment, or an alternate assessment developed for eligible special education students;

(2) Have successfully met the state standard in the other content areas required for a certificate under RCW 28A.655.061 or 28A.155.045;

(3) Have met all other state and school district graduation requirements; and

(4) Successfully earn, after the school year in which they took the statewide high school science assessment for the first time, one high school science credit or credit that integrates science with technology, engineering, or mathematics, including career and technical course equivalents or courses offered at skill centers, that is intended to increase the student's science proficiency toward meeting or exceeding the science standards assessed on the statewide high school science assessment."

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

On page 2, line 10 of the striking amendment, after "28A.155.045" insert ", section 2 of this act."

On page 2, line 34 of the striking amendment, after "~~(2013)~~" strike "~~2015~~" and insert "2014"

On page 7, after line 6 of the striking amendment, insert the following:

"Sec. 3. RCW 28A.155.045 and 2007 c 354 s 3 are each amended to read as follows:

Beginning with the graduating class of 2008, students served under this chapter, who are not appropriately assessed by the high school Washington assessment system as defined in RCW 28A.655.061, even with accommodations, may earn a certificate of individual achievement. The certificate may be earned using multiple ways to demonstrate skills and abilities commensurate with their individual education programs. The determination of whether the high school assessment system is appropriate shall be made by the student's individual education program team. Except as provided in RCW 28A.655.0611 and section 2 of this act, for these students, the certificate of individual achievement is required for graduation from a public high school, but need not be the only requirement for graduation. When measures other than the high school assessment system as defined in RCW 28A.655.061 are used, the measures shall be in agreement with the appropriate educational opportunity provided for the student as required by this chapter. The superintendent of public instruction shall develop the guidelines for determining which students should not be required to participate in the high school assessment system and which types of assessments are appropriate to use.

When measures other than the high school assessment system as defined in RCW 28A.655.061 are used for high school graduation purposes, the student's high school transcript shall note whether that student has earned a certificate of individual achievement.

Nothing in this section shall be construed to deny a student the right to participation in the high school assessment system as defined in RCW 28A.655.061, and, upon successfully meeting the high school standard, receipt of the certificate of academic achievement."

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

Representatives Hunt, Armstrong, Haigh, Santos, Dunshee and McCoy spoke in favor of the adoption of the amendment to the amendment.

Representatives Dammeier, Orcutt and Miloscia spoke against the adoption of the amendment to the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 32 - YEAS; 64 - NAYS.

Amendment (852) was not adopted.

Representatives Dammeier, Dahlquist, Maxwell, McCoy and Anderson spoke in favor of the adoption of amendment (822).

Representatives Santos, Rolfes and Hasegawa spoke against the adoption of amendment (822).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (822), and the amendment was adopted by the following vote: Yeas, 64; Nays, 32; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Buys, Carlyle, Chandler, Clibborn, Condotta, Dahlquist, Dammeier, DeBolt, Eddy, Fagan, Frockt, Haler, Hargrove, Harris, Hinkle, Hope, Hudgins, Hunter, Jinkins, Johnson, Kagi, Kenney, Klippert, Kretz, Kristiansen, Ladenburg, Lytton, Maxwell, Miloscia, Moeller, Nealey, Orcutt, Orwall, Overstreet, Parker, Pearson, Pedersen, Reykdal, Rivers, Rodne, Ross, Schmick, Seaquist, Shea, Short, Smith, Springer, Stanford, Sullivan, Taylor, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Blake, Cody, Darneille, Dickerson, Dunshee, Finn, Fitzgibbon, Goodman, Green, Haigh, Hasegawa, Hunt, Hurst, Kelley, Kirby, Liias, McCoy, Morris, Moscoso, Ormsby, Pettigrew, Probst, Roberts, Rolfes, Ryu, Santos, Sells, Takko, Tharinger, Upthegrove, Van De Wege and Wylie.

Excused: Representatives Crouse and McCune.

Amendment (822) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Dammeier, Maxwell, Rolfes, Miloscia, Santos and Anderson spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1410.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1410, and the bill passed the House by the following vote: Yeas, 86; Nays, 10; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, DeBolt, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haler, Hargrove, Harris, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Taylor, Upthegrove, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Dickerson, Haigh, Hasegawa, McCoy, Ormsby, Roberts, Ryu, Takko, Tharinger and Van De Wege.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410, having received the necessary constitutional majority, was declared passed.

MESSAGES FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

ENGROSSED SUBSTITUTE SENATE BILL 5891 and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

May 25, 2011

MR. SPEAKER:

The President has signed ENGROSSED SUBSTITUTE SENATE BILL 5891 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed SUBSTITUTE SENATE BILL 5181 and the same is herewith transmitted.

Thomas Hoemann, Secretary

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5931, by Senate Committee on Ways & Means (originally sponsored by Senators Baumgartner and Zarelli)

Reorganizing and streamlining central service functions, powers, and duties of state government.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Ways & Means was not adopted.

Representative Hudgins moved the adoption of amendment (862).

Strike everything after the enacting clause and insert the following:

"PART I

DEPARTMENT OF ENTERPRISE SERVICES CREATED

NEW SECTION. **Sec. 101.** To maximize the benefits to the public, state government should be operated in an efficient and effective manner. The department of enterprise services is created to provide centralized leadership in efficiently and cost-effectively managing resources necessary to support the delivery of state government services. The mission of the department is to implement a world-class, customer-focused organization that provides valued products and services to government and state residents.

NEW SECTION. **Sec. 102.** A new section is added to chapter 43.19 RCW to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of enterprise services.

(2) "Director" means the director of enterprise services.

NEW SECTION. **Sec. 103.** A new section is added to chapter 43.19 RCW to read as follows:

(1) The department of enterprise services is created as an executive branch agency. The department is vested with all powers and duties transferred to it under this act and such other powers and duties as may be authorized by law.

(2) In addition to the powers and duties as provided in this act, the department shall:

(a) Provide products and services to support state agencies, and may enter into agreements with any other governmental entity or a public benefit nonprofit organization, in compliance with RCW 39.34.055, to furnish such products and services as deemed appropriate by both parties. The agreement shall provide for the reimbursement to the department of the reasonable cost of the products and services furnished. All governmental entities of this state may enter into such agreements, unless otherwise prohibited; and

(b) Make available to state, local, and federal agencies, local governments, and public benefit nonprofit corporations on a full cost-recovery basis information and printing services to include equipment acquisition assistance, including leasing, brokering, and establishing master contracts. For the purposes of this section "public benefit nonprofit corporation" means a public benefit nonprofit corporation as defined in RCW 24.03.005 that is receiving local, state, or federal funds either directly or through a public agency other than an Indian tribe or political subdivision of another state.

NEW SECTION. Sec. 104. A new section is added to chapter 43.19 RCW to read as follows:

(1) The executive powers and management of the department shall be administered as described in this section.

(2) The executive head and appointing authority of the department is the director. The director is appointed by the governor, subject to confirmation by the senate. The director serves at the pleasure of the governor. The director is paid a salary fixed by the governor in accordance with RCW 43.03.040. If a vacancy occurs in the position of director while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate at which time he or she shall present to that body his or her nomination for the position.

(3) The director may employ staff members, who are exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter, and such other duties as may be authorized by law. The director may delegate any power or duty vested in him or her by this act or other law, including authority to make final decisions and enter final orders in hearings conducted under chapter 34.05 RCW.

(4) The internal affairs of the department are under the control of the director in order that the director may manage the department in a flexible and intelligent manner as dictated by changing contemporary circumstances. Unless specifically limited by law, the director has complete charge and supervisory powers over the department. The director may create the administrative structures as the director deems appropriate, except as otherwise specified by law, and the director may employ personnel as may be necessary in accordance with chapter 41.06 RCW, except as otherwise provided by law.

(5) Until June 30, 2018, at the beginning of each fiscal biennium, the office of financial management shall conduct a review of the programs and services that are performed by the department to determine whether the program or service may be performed by the private sector in a more cost-efficient and effective manner than being performed by the department. In conducting this review, the office of financial management shall:

(a) Examine the existing activities currently being performed by the department, including but not limited to an examination of services for their performance, staffing, capital requirements, and mission. Programs may be broken down into discrete services or activities or reviewed as a whole; and

(b) Examine the activities to determine which specific services are available in the marketplace and what potential for efficiency gains or savings exist.

(i) As part of the review in this subsection (5), the office of financial management shall select up to six activities or services that have been determined as an activity that may be provided by the private sector in a cost-effective and efficient manner, including for the 2011-2013 fiscal biennium the bulk printing services. The office of financial management may consult with affected industry stakeholders in making its decision on which activities to contract for services. Priority for selection shall be given to agency activities or services that are significant, ongoing functions.

(ii) The office of financial management must consider the consequences and potential mitigation of improper or failed performance by the contractor.

(iii) For each of the selected activities, the department shall use a request for information, request for proposal, or other procurement process to determine if a contract for the activity would result in the activity being provided at a reduced cost and with greater efficiency.

(iv) The request for information, request for proposal, or other procurement process must contain measurable standards for the performance of the contract.

(v) The department may contract with one or more vendors to provide the service as a result of the procurement process.

(vi) If the office of financial management determines via the procurement process that the activity cannot be provided by the private sector at a reduced cost and greater efficiency, the department of enterprise services may cancel the procurement without entering into a contract and shall promptly notify the legislative fiscal committees of such a decision.

(vii) The department of enterprise services, in consultation with the office of financial management, must establish a contract monitoring process to measure contract performance, costs, service delivery quality, and other contract standards, and to cancel contracts that do not meet those standards. No contracts may be renewed without a review of these measures.

(viii) The office of financial management shall prepare a biennial report summarizing the results of the examination of the agency's programs and services. In addition to the programs and services examined and the result of the examination, the report shall provide information on any procurement process that does not result in a contract for the services. During each regular legislative session held in odd-numbered years, the legislative fiscal committees shall hold a public hearing on the report and the department's activities under this section.

(ix) The joint legislative audit and review committee shall conduct an audit of the implementation of this subsection (5), and report to the legislature by January 1, 2018, on the results of the audit. The report must include an estimate of additional costs or savings to taxpayers as a result of the contracting out provisions.

NEW SECTION. Sec. 105. (1) The department of enterprise services has powers and duties related to state contracting as provided in chapters 43.19 and 39.29 RCW. The process and procedures in each chapter differ from each other in many respects. In addition, the process and procedures may not represent the best practices for the agency or the public.

(2) In order to effect reform and consolidation of procurement practices, the department shall review current state procurement practices, not including public works, and provide a report to the governor with procurement reform recommendations. The department should review national best practices and the procedures used in other states and by the federal government. The department may also review private sector procedures and model codes such as the American bar association model procurement code. The department shall seek input from stakeholders and interested parties. The department shall submit a report to the governor and the office of

financial management by December 31, 2011. The report shall include any draft legislation needed to accomplish the report's recommendations.

NEW SECTION. Sec. 106. A new section is added to chapter 41.06 RCW to read as follows:

In addition to the exemptions under RCW 41.06.070, this chapter does not apply in the department of enterprise services to the director, the director's confidential secretary, deputy and assistant directors, and any other exempt staff members provided for in section 104 of this act.

Sec. 107. RCW 43.17.010 and 2009 c 565 s 25 are each amended to read as follows:

There shall be departments of the state government which shall be known as (1) the department of social and health services, (2) the department of ecology, (3) the department of labor and industries, (4) the department of agriculture, (5) the department of fish and wildlife, (6) the department of transportation, (7) the department of licensing, (8) the department of (~~general administration~~) enterprise services, (9) the department of commerce, (10) the department of veterans affairs, (11) the department of revenue, (12) the department of retirement systems, (13) the department of corrections, (14) the department of health, (15) the department of financial institutions, (16) the department of archaeology and historic preservation, (17) the department of early learning, and (18) the Puget Sound partnership, which shall be charged with the execution, enforcement, and administration of such laws, and invested with such powers and required to perform such duties, as the legislature may provide.

Sec. 108. RCW 43.17.020 and 2009 c 565 s 26 are each amended to read as follows:

There shall be a chief executive officer of each department to be known as: (1) The secretary of social and health services, (2) the director of ecology, (3) the director of labor and industries, (4) the director of agriculture, (5) the director of fish and wildlife, (6) the secretary of transportation, (7) the director of licensing, (8) the director of (~~general administration~~) enterprise services, (9) the director of commerce, (10) the director of veterans affairs, (11) the director of revenue, (12) the director of retirement systems, (13) the secretary of corrections, (14) the secretary of health, (15) the director of financial institutions, (16) the director of the department of archaeology and historic preservation, (17) the director of early learning, and (18) the executive director of the Puget Sound partnership.

Such officers, except the director of fish and wildlife, shall be appointed by the governor, with the consent of the senate, and hold office at the pleasure of the governor. The director of fish and wildlife shall be appointed by the fish and wildlife commission as prescribed by RCW 77.04.055.

Sec. 109. RCW 42.17A.705 and 2010 c 204 s 902 are each amended to read as follows:

For the purposes of RCW 42.17A.700, "executive state officer" includes:

(1) The chief administrative law judge, the director of agriculture, the director of the department of services for the blind, the chief information officer of the office of chief information officer, the director of the state system of community and technical colleges, the director of commerce, the director of the consolidated technology services agency, the secretary of corrections, the director of early learning, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the director of enterprise services, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling commission, (~~the director of general administration~~) the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority, the executive secretary of the

higher education facilities authority, the executive secretary of the horse racing commission, the human resources director, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, (~~the director of the department of information services~~) the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, (~~the director of personnel~~) the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each state community college;

(2) Each professional staff member of the office of the governor;

(3) Each professional staff member of the legislature; and

(4) Central Washington University board of trustees, the boards of trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, Eastern Washington University board of trustees, Washington economic development finance authority, Washington energy northwest executive board, The Evergreen State College board of trustees, executive ethics board, fish and wildlife commission, forest practices appeals board, forest practices board, gambling commission, Washington health care facilities authority, higher education coordinating board, higher education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, (~~information services board~~) state investment board, commission on judicial conduct, legislative ethics board, life sciences discovery fund authority board of trustees, liquor control board, lottery commission, Pacific Northwest electric power and conservation planning council, parks and recreation commission, Washington personnel resources board, board of pilotage commissioners, pollution control hearings board, public disclosure commission, public employees' benefits board, recreation and conservation funding board, salmon recovery funding board, shorelines hearings board, board of tax appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, Washington State University board of regents, and Western Washington University board of trustees.

Sec. 110. RCW 42.17.2401 and 2009 c 565 s 24 are each amended to read as follows:

For the purposes of RCW 42.17.240, the term "executive state officer" includes:

(1) The chief administrative law judge, the director of agriculture, the administrator of the Washington basic health plan, the director of the department of services for the blind, the chief information officer of the office of chief information officer, the director of the state system of community and technical colleges, the director of commerce, the director of the consolidated technology services agency, the secretary of corrections, the director of early learning, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling commission, the director of (~~general administration~~) enterprise services, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority,

the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the human resources director, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, (~~the director of the department of information services~~), the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, (~~the director of personnel~~), the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each state community college;

(2) Each professional staff member of the office of the governor;

(3) Each professional staff member of the legislature; and

(4) Central Washington University board of trustees, the boards of trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, committee for deferred compensation, Eastern Washington University board of trustees, Washington economic development finance authority, The Evergreen State College board of trustees, executive ethics board, forest practices appeals board, forest practices board, gambling commission, life sciences discovery fund authority board of trustees, Washington health care facilities authority, each member of the Washington health services commission, higher education coordinating board, higher education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, (~~information services board~~), recreation and conservation funding board, state investment board, commission on judicial conduct, legislative ethics board, liquor control board, lottery commission, marine oversight board, Pacific Northwest electric power and conservation planning council, parks and recreation commission, board of pilotage commissioners, pollution control hearings board, public disclosure commission, public pension commission, shorelines hearings board, public employees' benefits board, salmon recovery funding board, board of tax appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, Washington state maritime commission, Washington personnel resources board, Washington public power supply system executive board, Washington State University board of regents, Western Washington University board of trustees, and fish and wildlife commission.

NEW SECTION. Sec. 111. Section 109 of this act takes effect January 1, 2012.

NEW SECTION. Sec. 112. Section 110 of this act expires January 1, 2012.

PART II POWERS AND DUTIES TRANSFERRED FROM THE DEPARTMENT OF GENERAL ADMINISTRATION

Sec. 201. RCW 43.19.011 and 1999 c 229 s 2 are each amended to read as follows:

(1) The director of (~~general administration~~) enterprise services shall supervise and administer the activities of the department of (~~general administration~~) enterprise services and shall advise the governor and the legislature with respect to matters under the jurisdiction of the department.

(2) In addition to other powers and duties granted to the director, the director shall have the following powers and duties:

(a) Enter into contracts on behalf of the state to carry out the purposes of this chapter;

(b) Accept and expend gifts and grants that are related to the purposes of this chapter, whether such grants be of federal or other funds;

(c) Appoint (~~a~~) deputy (~~director~~) and (~~such~~) assistant directors and such other special assistants as may be needed to administer the department. These employees are exempt from the provisions of chapter 41.06 RCW;

(d) Adopt rules in accordance with chapter 34.05 RCW and perform all other functions necessary and proper to carry out the purposes of this chapter;

(e) Delegate powers, duties, and functions as the director deems necessary for efficient administration, but the director shall be responsible for the official acts of the officers and employees of the department; (~~and~~)

(f) Apply for grants from public and private entities, and receive and administer any grant funding received for the purpose and intent of this chapter; and

(g) Perform other duties as are necessary and consistent with law.

(3) The director may establish additional advisory groups as may be necessary to carry out the purposes of this chapter.

((4) The internal affairs of the department shall be under the control of the director in order that the director may manage the department in a flexible and intelligent manner as dictated by changing contemporary circumstances. Unless specifically limited by law, the director shall have complete charge and supervisory powers over the department. The director may create such administrative structures as the director deems appropriate, except as otherwise specified by law, and the director may employ such personnel as may be necessary in accordance with chapter 41.06 RCW, except as otherwise provided by law.))

Sec. 202. RCW 43.19.025 and 2002 c 332 s 3 are each amended to read as follows:

The (~~general administration~~) enterprise services account is created in the custody of the state treasurer and shall be used for all activities previously budgeted and accounted for in the following internal service funds: The motor transport account, the (~~general administration~~) enterprise services management fund, the (~~general administration~~) enterprise services facilities and services revolving fund, the central stores revolving fund, the surplus property purchase revolving fund, and the energy efficiency services account. Only the director or the director's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW.

Sec. 203. RCW 43.19.035 and 2005 c 16 s 1 are each amended to read as follows:

(1) The commemorative works account is created in the custody of the state treasurer and shall be used by the department of (~~general administration~~) enterprise services for the ongoing care, maintenance, and repair of commemorative works on the state capitol grounds. Only the director or the director's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not necessary for expenditures.

(2) For purposes of this section, "state capitol grounds" means buildings and land owned by the state and otherwise designated as state capitol grounds, including the west capitol campus, the east capitol campus, the north capitol campus, the Tumwater campus, the Lacey campus, Sylvester Park, Centennial Park, the Old Capitol Building, and Capitol Lake.

Sec. 204. RCW 43.19.125 and 2007 c 520 s 6014 are each amended to read as follows:

(1) The director of (~~general administration, through the division of capitol buildings~~) enterprise services shall have custody and control of the capitol buildings and grounds, supervise and direct proper care, heating, lighting and repairing thereof, and designate rooms in the capitol buildings to be occupied by various state officials.

(2) During the 2007-2009 biennium, responsibility for development of the "Wheeler block" on the capitol campus as authorized in section 6013, chapter 520, Laws of 2007 shall be transferred from the department of general administration to the department of information services. (~~The department of general administration and the department of information services shall develop a joint operating agreement for the new facilities on the "Wheeler block" and provide copies of that agreement to the appropriate committees of the legislature by December 30, 2008.~~)

(3) ~~During the 2007-2009 biennium, responsibility for development of the Pritchard building rehabilitation on the capitol campus as authorized in section 1090, chapter 520, Laws of 2007 shall be transferred from the department of general administration to the statute law committee.)~~

Sec. 205. RCW 43.19.180 and 2009 c 549 s 5063 are each amended to read as follows:

The director of (~~general administration~~ shall appoint and deputize an assistant director to be known as the state purchasing and material control director, who shall have charge and supervision of the division of purchasing. In this capacity he or she) enterprise services shall ensure that overall state purchasing and material control policy is implemented by state agencies, including educational institutions, within established time limits.

(With the approval of the director of general administration, he or she may appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.)

Sec. 206. RCW 43.19.185 and 1987 c 47 s 1 are each amended to read as follows:

(1) The director (~~of general administration through the state purchasing and material control director~~) shall develop a system for state agencies and departments to use credit cards or similar devices to make purchases. The director may contract to administer the credit cards.

(2) The director (~~of general administration through the state purchasing and material control director~~) shall adopt rules for:

- (a) The distribution of the credit cards;
- (b) The authorization and control of the use of the credit cards;
- (c) The credit limits available on the credit cards;
- (d) Instructing users of gasoline credit cards to use self-service islands whenever possible;
- (e) Payments of the bills; and
- (f) Any other rule necessary to implement or administer the program under this section.

Sec. 207. RCW 43.19.190 and 2002 c 200 s 3 are each amended to read as follows:

The director (~~of general administration, through the state purchasing and material control director~~) shall:

(1) (Establish and staff such administrative organizational units within the division of purchasing as may be necessary for effective administration of the provisions of RCW 43.19.190 through 43.19.1939) Develop rules and standards governing the acquisition and disposition of goods and services;

(2) ((Purchase all material, supplies, services, and equipment needed for the support, maintenance, and use of all state institutions, colleges, community colleges, technical colleges, college districts, and universities, the offices of the elective state officers, the supreme court, the court of appeals, the administrative and other departments of state government, and the offices of all appointive officers of the state)) Enter into contracts on behalf of the state to carry out the following: To purchase, lease, rent or otherwise acquire, dispose of,

and maintain assets, licenses, purchased goods and services, client services, and personal services, or to delegate to other agencies and institutions of state government, under appropriate standards, the authority to purchase, lease, rent or otherwise acquire, dispose of, and maintain assets, licenses, purchased goods and services, client services, and personal services. Agencies and institutions of state government are expressly prohibited from acquiring or disposing of such assets, licenses, purchased services, and personal services without such delegation of authority: PROVIDED, That the provisions of RCW 43.19.190 through 43.19.1937 do not apply in any manner to the operation of the state legislature except as requested by the legislature: PROVIDED, That any agency may purchase material, supplies, services, and equipment for which the agency has notified the purchasing and material control director that it is more cost-effective for the agency to make the purchase directly from the vendor: PROVIDED, That primary authority for the purchase of specialized equipment, instructional, and research material for their own use shall rest with the colleges, community colleges, and universities: PROVIDED FURTHER, That universities operating hospitals and the ((state purchasing and material control)) director, as the agent for state hospitals as defined in RCW 72.23.010, and for health care programs provided in state correctional institutions as defined in RCW 72.65.010(3) and veterans' institutions as defined in RCW 72.36.010 and 72.36.070, may make purchases for hospital operation by participating in contracts for materials, supplies, and equipment entered into by nonprofit cooperative hospital group purchasing organizations: PROVIDED FURTHER, That primary authority for the purchase of materials, supplies, and equipment for resale to other than public agencies shall rest with the state agency concerned: PROVIDED FURTHER, That authority to purchase services as included herein does not apply to personal services as defined in chapter 39.29 RCW, unless such organization specifically requests assistance from the ((division of purchasing)) department of enterprise services in obtaining personal services and resources are available within the ((division)) department to provide such assistance: ((PROVIDED FURTHER, That the authority for the purchase of insurance and bonds shall rest with the risk manager under RCW 43.19.1935:)) PROVIDED FURTHER, That, except for the authority of the risk manager to purchase insurance and bonds, the director is not required to provide purchasing services for institutions of higher education that choose to exercise independent purchasing authority under RCW 28B.10.029: PROVIDED FURTHER, That the authority to purchase interpreter services and interpreter brokerage services on behalf of limited-English speaking or sensory-impaired applicants and recipients of public assistance shall rest with the department of social and health services in consultation with the department;

(3) Have authority to delegate to state agencies authorization to purchase or sell, which authorization shall specify restrictions as to dollar amount or to specific types of material, equipment, services, and supplies. Acceptance of the purchasing authorization by a state agency does not relieve such agency from conformance with other sections of RCW 43.19.190 through 43.19.1939, or from policies established by the director. Also, delegation of such authorization to a state agency, including an educational institution to which this section applies, to purchase or sell material, equipment, services, and supplies shall not be granted, or otherwise continued under a previous authorization, if such agency is not in substantial compliance with overall state purchasing and material control policies as established herein;

(4) Contract for the testing of material, supplies, and equipment with public and private agencies as necessary and advisable to protect the interests of the state;

(5) ((Prescribe the manner of inspecting all deliveries of supplies, materials, and equipment purchased through the division)) Develop

statewide or interagency procurement policies, standards, and procedures;

(6) ~~((Prescribe the manner in which supplies, materials, and equipment purchased through the division shall be delivered, stored, and distributed))~~ Provide direction concerning strategic planning goals and objectives related to state purchasing and contracts activities. The director shall seek input from the legislature and the judiciary;

(7) ~~((Provide for the maintenance of a catalogue library, manufacturers' and wholesalers' lists, and current market information))~~ Develop and implement a process for the resolution of appeals by:

(a) Vendors concerning the conduct of an acquisition process by an agency or the department; or

(b) A customer agency concerning the provision of services by the department or by other state providers;

(8) Establish policies for the periodic review by the department of agency performance which may include but are not limited to analysis of:

(a) Planning, management, purchasing control, and use of purchased services and personal services;

(b) Training and education; and

(c) Project management;

~~((8))~~ (9) Provide for a commodity classification system and may, in addition, provide for the adoption of standard specifications;

~~((9))~~ Provide for the maintenance of inventory records of supplies, materials, and other property;)

(10) Prepare rules and regulations governing the relationship and procedures between the ~~((division of purchasing))~~ department and state agencies and vendors;

(11) Publish procedures and guidelines for compliance by all state agencies, including those educational institutions to which this section applies, which implement overall state purchasing and material control policies;

(12) Advise state agencies, including educational institutions, regarding compliance with established purchasing and material control policies under existing statutes.

Sec. 208. RCW 43.19.1905 and 2009 c 486 s 10 are each amended to read as follows:

(1) The director of ~~((general administration))~~ enterprise services shall establish overall state policy for compliance by all state agencies, including educational institutions, regarding the following purchasing and material control functions:

(a) Development of a state commodity coding system(~~(,~~ including common stock numbers for items maintained in stores for reissue;

(b) Determination where consolidations, closures, or additions of stores operated by state agencies and educational institutions should be initiated;

(c) Institution of standard criteria for determination of when and where an item in the state supply system should be stocked;

(d) Establishment of stock levels to be maintained in state stores, and formulation of standards for replenishment of stock;

(e) Formulation of an overall distribution and redistribution system for stock items which establishes sources of supply support for all agencies, including interagency supply support;

(f) Determination of what function data processing equipment, including remote terminals, shall perform in statewide purchasing and material control for improvement of service and promotion of economy;

(g) Standardization of records and forms used statewide for supply system activities involving purchasing, receiving, inspecting, storing, requisitioning, and issuing functions, including a);

(b) A standard notification form for state agencies to report cost-effective direct purchases, which shall at least identify the price of the goods as available through the ~~((division of purchasing))~~ department, the price of the goods as available from the alternative source, the

total savings, and the signature of the notifying agency's director or the director's designee;

~~((H))~~ (c) Screening of supplies, material, and equipment excess to the requirements of one agency for overall state need before sale as surplus;

~~((i))~~ (i) Establishment of warehouse operation and storage standards to achieve uniform, effective, and economical stores operations;

~~((j))~~ (j) Establishment of time limit standards for the issuing of material in store and for processing requisitions requiring purchase;

~~((k))~~ (k) Formulation of criteria for)

(d) Determining when centralized rather than decentralized purchasing shall be used to obtain maximum benefit of volume buying of identical or similar items, including procurement from federal supply sources;

~~((H))~~ (e) Development of criteria for use of leased, rather than state owned, warehouse space based on relative cost and accessibility;

~~((m))~~ (m) Institution of standard criteria for purchase and placement of state furnished materials, carpeting, furniture, fixtures, and nonfixed equipment, in newly constructed or renovated state buildings;

~~((n))~~ (f) Determination of how transportation costs incurred by the state for materials, supplies, services, and equipment can be reduced by improved freight and traffic coordination and control;

~~((O))~~ (g) Establishment of a formal certification program for state employees who are authorized to perform purchasing functions as agents for the state under the provisions of chapter 43.19 RCW;

~~((P))~~ (h) Development of performance measures for the reduction of total overall expense for material, supplies, equipment, and services used each biennium by the state;

~~((Q))~~ (i) Establishment of a standard system for all state organizations to record and report dollar savings and cost avoidance which are attributable to the establishment and implementation of improved purchasing and material control procedures;

~~((R))~~ (j) Development of procedures for mutual and voluntary cooperation between state agencies, including educational institutions, and political subdivisions for exchange of purchasing and material control services;

~~((S))~~ (k) Resolution of all other purchasing and material matters which require the establishment of overall statewide policy for effective and economical supply management;

~~((T))~~ (l) Development of guidelines and criteria for the purchase of vehicles, high gas mileage vehicles, alternate vehicle fuels and systems, equipment, and materials that reduce overall energy-related costs and energy use by the state, including investigations into all opportunities to aggregate the purchasing of clean technologies by state and local governments, and including the requirement that new passenger vehicles purchased by the state meet the minimum standards for passenger automobile fuel economy established by the United States secretary of transportation pursuant to the energy policy and conservation act (15 U.S.C. Sec. 2002);

~~((U))~~ (m) Development of goals for state use of recycled or environmentally preferable products through specifications for products and services, processes for requests for proposals and requests for qualifications, contractor selection, and contract negotiations;

~~((V))~~ (n) Development of procurement policies and procedures, such as unbundled contracting and subcontracting, that encourage and facilitate the purchase of products and services by state agencies and institutions from Washington small businesses to the maximum extent practicable and consistent with international trade agreement commitments;

~~((W))~~ (o) Development of food procurement procedures and materials that encourage and facilitate the purchase of Washington grown food by state agencies and institutions to the maximum extent practicable and consistent with international trade agreement commitments; and

~~((*)~~) (p) Development of policies requiring all food contracts to include a plan to maximize to the extent practicable and consistent with international trade agreement commitments the availability of Washington grown food purchased through the contract.

(2) ((The department of general administration shall convene a working group including representatives of the office of financial management, the department of information services, and the state printer. The purpose of the working group is to work collaboratively to develop common policies and procedures that encourage and facilitate state government purchases from Washington small businesses, as required in subsection (1)(v) of this section, and in RCW 39.29.065, 43.78.110, and 43.105.041(1)(j). By December 1, 2009, these central services agencies shall jointly provide a written progress report to the governor and legislature on actions taken and planned, barriers identified, and solutions recommended to reach this goal.

(3))) The definitions in this subsection apply throughout this section and RCW 43.19.1908.

(a) "Common vendor registration and bid notification system" has the definition in RCW 39.29.006.

(b) "Small business" has the definition in RCW 39.29.006.

(c) "Washington grown" has the definition in RCW 15.64.060.

Sec. 209. RCW 43.19.19052 and 1998 c 245 s 54 are each amended to read as follows:

Initial policy determinations for the functions described in RCW 43.19.1905 shall be developed and published within the 1975-77 biennium by the director for guidance and compliance by all state agencies, including educational institutions, involved in purchasing and material control. Modifications to these initial supply management policies established during the 1975-77 biennium shall be instituted by the director in future biennia as required to maintain an efficient and up-to-date state supply management system.

It is the intention of the legislature that measurable improvements in the effectiveness and economy of supply management in state government shall be achieved during the 1975-77 biennium, and each biennium thereafter. All agencies, departments, offices, divisions, boards, and commissions and educational, correctional, and other types of institutions are required to cooperate with and support the development and implementation of improved efficiency and economy in purchasing and material control. To effectuate this legislative intention, the director~~((, through the state purchasing and material control director, shall have))~~ has the authority to direct and require the submittal of data from all state organizations concerning purchasing and material control matters.

Sec. 210. RCW 43.19.1906 and 2008 c 215 s 5 are each amended to read as follows:

Insofar as practicable, all purchases and sales shall be based on competitive bids, and a formal sealed, electronic, or web-based bid procedure, subject to RCW 43.19.1911, shall be used as standard procedure for all purchases and contracts for purchases and sales executed by the ~~((state purchasing and material control))~~ director and under the powers granted by RCW 43.19.190 through 43.19.1939. This requirement also applies to purchases and contracts for purchases and sales executed by agencies, including educational institutions, under delegated authority granted in accordance with provisions of RCW 43.19.190 or under RCW 28B.10.029. However, formal sealed, electronic, or web-based competitive bidding is not necessary for:

(1) Emergency purchases made pursuant to RCW 43.19.200 if the sealed bidding procedure would prevent or hinder the emergency from being met appropriately;

(2) ((Purchases not exceeding thirty-five thousand dollars, or subsequent limits as calculated by the office of financial management: PROVIDED, That the state director of general administration shall establish procedures to assure that purchases made by or on behalf of the various state agencies shall not be made so as to avoid the thirty-

five thousand dollar bid limitation, or subsequent bid limitations as calculated by the office of financial management: PROVIDED FURTHER, That the state purchasing and material control director is authorized to reduce the formal sealed bid limits of thirty-five thousand dollars, or subsequent limits as calculated by the office of financial management, to a lower dollar amount for purchases by individual state agencies if considered necessary to maintain full disclosure of competitive procurement or otherwise to achieve overall state efficiency and economy in purchasing and material control. Quotations from three thousand dollars to thirty-five thousand dollars, or subsequent limits as calculated by the office of financial management, shall be secured from at least three vendors to assure establishment of a competitive price and may be obtained by telephone or written quotations, or both. The agency shall invite at least one quotation each from a certified minority and a certified women-owned vendor who shall otherwise qualify to perform such work. Immediately after the award is made, the bid quotations obtained shall be recorded and open to public inspection and shall be available by telephone inquiry. A record of competition for all such purchases from three thousand dollars to thirty-five thousand dollars, or subsequent limits as calculated by the office of financial management, shall be documented for audit purposes. Purchases up to three thousand dollars may be made without competitive bids based on buyer experience and knowledge of the market in achieving maximum quality at minimum cost)) Direct buy purchases and informal competitive bidding, as designated by the director of enterprise services. The director of enterprise services shall establish policies annually to define criteria and dollar thresholds for direct buy purchases and informal competitive bidding limits. These criteria may be adjusted to accommodate special market conditions and to promote market diversity for the benefit of the citizens of the state of Washington;

(3) Purchases which are clearly and legitimately limited to a single source of supply and purchases involving special facilities, services, or market conditions, in which instances the purchase price may be best established by direct negotiation;

(4) Purchases of insurance and bonds by the risk management ~~((division))~~ office under RCW 43.41.310 (as recodified by this act);

(5) Purchases and contracts for vocational rehabilitation clients of the department of social and health services: PROVIDED, That this exemption is effective only when the ~~((state purchasing and material control))~~ director of enterprise services, after consultation with the director of the division of vocational rehabilitation and appropriate department of social and health services procurement personnel, declares that such purchases may be best executed through direct negotiation with one or more suppliers in order to expeditiously meet the special needs of the state's vocational rehabilitation clients;

(6) Purchases by universities for hospital operation or biomedical teaching or research purposes and by the ~~((state purchasing and material control))~~ director of enterprise services, as the agent for state hospitals as defined in RCW 72.23.010, and for health care programs provided in state correctional institutions as defined in RCW 72.65.010(3) and veterans' institutions as defined in RCW 72.36.010 and 72.36.070, made by participating in contracts for materials, supplies, and equipment entered into by nonprofit cooperative hospital group purchasing organizations;

(7) Purchases for resale by institutions of higher education to other than public agencies when such purchases are for the express purpose of supporting instructional programs and may best be executed through direct negotiation with one or more suppliers in order to meet the special needs of the institution;

(8) Purchases by institutions of higher education ((not exceeding thirty-five thousand dollars: PROVIDED, That for purchases between three thousand dollars and thirty-five thousand dollars quotations shall be secured from at least three vendors to assure establishment of a competitive price and may be obtained by

telephone or written quotations, or both. For purchases between three thousand dollars and thirty-five thousand dollars, each institution of higher education shall invite at least one quotation each from a certified minority and a certified women-owned vendor who shall otherwise qualify to perform such work. A record of competition for all such purchases made from three thousand to thirty-five thousand dollars shall be documented for audit purposes)) under RCW 43.19.190(2), direct buy purchases, and informal competitive bidding, as designated by the director of enterprise services; and

(9) Off-contract purchases of Washington grown food when such food is not available from Washington sources through an existing contract. However, Washington grown food purchased under this subsection must be of an equivalent or better quality than similar food available through the contract and be able to be paid from the agency's existing budget. This requirement also applies to purchases and contracts for purchases executed by state agencies, including institutions of higher education, under delegated authority granted in accordance with RCW 43.19.190 or under RCW 28B.10.029(— and —(10) Negotiation of a contract by the department of transportation, valid until June 30, 2001, with registered tow truck operators to provide roving service patrols in one or more Washington state patrol tow zones whereby those registered tow truck operators wishing to participate would cooperatively, with the department of transportation, develop a demonstration project upon terms and conditions negotiated by the parties)).

Beginning on July 1, 1995, and on July 1st of each succeeding odd-numbered year, the dollar limits specified in this section shall be adjusted as follows: The office of financial management shall calculate such limits by adjusting the previous biennium's limits by the appropriate federal inflationary index reflecting the rate of inflation for the previous biennium. Such amounts shall be rounded to the nearest one hundred dollars. ((However, the three thousand dollar figure in subsections (2) and (8) of this section may not be adjusted to exceed five thousand dollars.))

As used in this section, "Washington grown" has the definition in RCW 15.64.060.

Sec. 211. RCW 43.19.1908 and 2009 c 486 s 11 are each amended to read as follows:

Competitive bidding required by RCW 43.19.190 through 43.19.1939 shall be solicited by public notice, by posting of the contract opportunity on the state's common vendor registration and bid notification system, and through the sending of notices by mail, electronic transmission, or other means to bidders on the appropriate list of bidders who shall have qualified by application to the ((division of purchasing)) department. Bids may be solicited by the ((purchasing division)) department from any source thought to be of advantage to the state. All bids shall be in written or electronic form and conform to rules of the ((division of purchasing)) department.

Sec. 212. RCW 43.19.1913 and 1965 c 8 s 43.19.1913 are each amended to read as follows:

The ((division of purchasing)) department may reject the bid of any bidder who has failed to perform satisfactorily a previous contract with the state.

Sec. 213. RCW 43.19.1915 and 2009 c 549 s 5064 are each amended to read as follows:

When any bid has been accepted, the ((division of purchasing)) department may require of the successful bidder a bond payable to the state in such amount with such surety or sureties as determined by the ((division of purchasing)) department, conditioned that he or she will fully, faithfully and accurately execute the terms of the contract into which he or she has entered. The bond shall be filed in the ((office of the division of purchasing)) department. Bidders who regularly do business with the state shall be permitted to file with the ((division of purchasing)) department an annual bid bond in an amount established by the ((division)) department and such annual bid bond shall be acceptable as surety in lieu of furnishing surety with individual bids.

Sec. 214. RCW 43.19.1917 and 1979 c 88 s 3 are each amended to read as follows:

All state agencies, including educational institutions, shall maintain a perpetual record of ownership of state owned equipment, which shall be available for the inspection and check of those officers who are charged by law with the responsibility for auditing the records and accounts of the state organizations owning the equipment, or to such other special investigators and others as the governor may direct. In addition, these records shall be made available to members of the legislature, the legislative committees, and legislative staff on request.

All state agencies, including educational institutions, shall account to the office of financial management upon request for state equipment owned by, assigned to, or otherwise possessed by them and maintain such records as the office of financial management deems necessary for proper accountability therefor. The office of financial management shall publish a procedural directive for compliance by all state agencies, including educational institutions, which establishes a standard method of maintaining records for state owned equipment, including the use of standard state forms. This published directive also shall include instructions for reporting to the ((division of purchasing)) department all state equipment which is excess to the needs of state organizations owning such equipment. The term "state equipment" means all items of machines, tools, furniture, or furnishings other than expendable supplies and materials as defined by the office of financial management.

Sec. 215. RCW 43.19.1919 and 2000 c 183 s 1 are each amended to read as follows:

The ((division of purchasing)) department shall sell or exchange personal property belonging to the state for which the agency, office, department, or educational institution having custody thereof has no further use, at public or private sale, and cause the moneys realized from the sale of any such property to be paid into the fund from which such property was purchased or, if such fund no longer exists, into the state general fund. This requirement is subject to the following exceptions and limitations:

(1) This section does not apply to property under RCW 27.53.045, 28A.335.180, or 43.19.1920;

(2) Sales of capital assets may be made by the ((division of purchasing)) department and a credit established ((in central stores)) for future purchases of capital items as provided for in RCW 43.19.190 through 43.19.1939;

(3) Personal property, excess to a state agency, including educational institutions, shall not be sold or disposed of prior to reasonable efforts by the ((division of purchasing)) department to determine if other state agencies have a requirement for such personal property. Such determination shall follow sufficient notice to all state agencies to allow adequate time for them to make their needs known. Surplus items may be disposed of without prior notification to state agencies if it is determined by the director ((of general administration)) to be in the best interest of the state. The ((division of purchasing)) department shall maintain a record of disposed surplus property, including date and method of disposal, identity of any recipient, and approximate value of the property;

(4) This section does not apply to personal property acquired by a state organization under federal grants and contracts if in conflict with special title provisions contained in such grants or contracts;

(5) A state agency having a surplus personal property asset with a fair market value of less than five hundred dollars may transfer the asset to another state agency without charging fair market value. A state agency conducting this action must maintain adequate records to comply with agency inventory procedures and state audit requirements.

Sec. 216. RCW 43.19.19191 and 1999 c 186 s 1 are each amended to read as follows:

(1) In addition to disposing of property under RCW 28A.335.180, 39.33.010, 43.19.1919, and 43.19.1920, state-owned, surplus computers and computer-related equipment may be donated to any school district or educational service district under the guidelines and distribution standards established pursuant to subsection (2) of this section.

(2) ~~((By September 1, 1999,))~~ The department and office of the superintendent of public instruction shall jointly develop guidelines and distribution standards for the donation of state-owned, surplus computers and computer-related equipment to school districts and educational service districts. The guidelines and distribution standards shall include considerations for quality, school-district needs, and accountability, and shall give priority to meeting the computer-related needs of children with disabilities, including those disabilities necessitating the portability of laptop computers. The guidelines must be updated as needed.

Sec. 217. RCW 43.19.1920 and 1995 c 399 s 63 are each amended to read as follows:

The ~~((division of purchasing))~~ department may donate state-owned, surplus, tangible personal property to shelters that are: Participants in the department of ~~((community, trade, and economic development's))~~ commerce's emergency shelter assistance program; and operated by nonprofit organizations or units of local government providing emergency or transitional housing for homeless persons. A donation may be made only if all of the following conditions have been met:

(1) The ~~((division of purchasing))~~ department has made reasonable efforts to determine if any state agency has a requirement for such personal property and no such agency has been identified. Such determination shall follow sufficient notice to all state agencies to allow adequate time for them to make their needs known;

(2) The agency owning the property has authorized the ~~((division of purchasing))~~ department to donate the property in accordance with this section;

(3) The nature and quantity of the property in question is directly germane to the needs of the homeless persons served by the shelter and the purpose for which the shelter exists and the shelter agrees to use the property for such needs and purposes; and

(4) The director ~~((of general administration))~~ has determined that the donation of such property is in the best interest of the state.

Sec. 218. RCW 43.19.19201 and 1995 c 399 s 64 are each amended to read as follows:

(1) The department ~~((of general administration))~~ shall identify and catalog real property that is no longer required for department purposes and is suitable for the development of affordable housing for very low-income, low-income, and moderate-income households as defined in RCW 43.63A.510. The inventory shall include the location, approximate size, and current zoning classification of the property. The department ~~((of general administration))~~ shall provide a copy of the inventory to the department of ~~((community, trade, and economic development))~~ commerce by November 1, 1993, and every November 1 thereafter.

(2) By November 1 of each year, beginning in 1994, the department ~~((of general administration))~~ shall purge the inventory of real property of sites that are no longer available for the development of affordable housing. The department shall include an updated listing of real property that has become available since the last update. As used in this section, "real property" means buildings, land, or buildings and land.

Sec. 219. RCW 43.19.1921 and 1979 c 151 s 100 are each amended to read as follows:

The director ~~((of general administration, through the division of purchasing,))~~ shall:

(1) Establish and maintain warehouses ~~((hereinafter referred to as "central stores"))~~ for the centralized storage and distribution of such supplies, equipment, and other items of common use in order to effect

economies in the purchase of supplies and equipment for state agencies. To provide ~~((central stores))~~ warehouse facilities the ~~((division of purchasing))~~ department may, by arrangement with the state agencies, utilize any surplus available state owned space, and may acquire other needed warehouse facilities by lease or purchase of the necessary premises;

(2) Provide for the central salvage ~~((maintenance, repair, and servicing))~~ of equipment, furniture, or furnishings used by state agencies, and also by means of such a service provide an equipment pool for effecting sales and exchanges of surplus and unused property by and between state agencies. ~~((Funds derived from the sale and exchange of property shall be placed to the account of the appropriate state agency on the central stores accounts but such funds may not be expended through central stores without prior approval of the office of financial management.))~~

Sec. 220. RCW 43.19.1932 and 1989 c 185 s 2 are each amended to read as follows:

The department of corrections shall be exempt from the following provisions of this chapter in respect to goods or services purchased or sold pursuant to the operation of correctional industries: RCW 43.19.180, 43.19.190, 43.19.1901, 43.19.1905, 43.19.1906, 43.19.1908, 43.19.1911, 43.19.1913, 43.19.1915, 43.19.1917, 43.19.1919, 43.19.1921, ~~((43.19.1925,))~~ and 43.19.200.

Sec. 221. RCW 43.19.200 and 2009 c 549 s 5066 are each amended to read as follows:

(1) The governing authorities of the state's educational institutions, the elective state officers, the supreme court, the court of appeals, the administrative and other departments of the state government, and all appointive officers of the state, shall prepare estimates of the supplies required for the proper conduct and maintenance of their respective institutions, offices, and departments, covering periods to be fixed by the director, and forward them to the director in accordance with his or her directions. No such authorities, officers, or departments, or any officer or employee thereof, may purchase any article for the use of their institutions, offices, or departments, except in case of emergency purchases as provided in subsection (2) of this section.

(2) The authorities, officers, and departments enumerated in subsection (1) of this section may make emergency purchases in response to unforeseen circumstances beyond the control of the agency which present a real, immediate, and extreme threat to the proper performance of essential functions or which may reasonably be expected to result in excessive loss or damage to property, bodily injury, or loss of life. When an emergency purchase is made, the agency head shall submit written notification of the purchase, within three days of the purchase, to the director ~~((of general administration))~~. This notification shall contain a description of the purchase, description of the emergency and the circumstances leading up to the emergency, and an explanation of why the circumstances required an emergency purchase.

(3) Purchases made for the state's educational institutions, the offices of the elective state officers, the supreme court, the court of appeals, the administrative and other departments of the state government, and the offices of all appointive officers of the state, shall be paid for out of the moneys appropriated for supplies, material, and service of the respective institutions, offices, and departments.

(4) The director ~~((of general administration))~~ shall submit, on an annual basis, the written notifications required by subsection (2) of this section to the director of financial management.

Sec. 222. RCW 43.19.450 and 1994 c 264 s 15 are each amended to read as follows:

The director ~~((of general administration))~~ shall appoint ~~((and deputize an assistant director to be known as the))~~ a supervisor of engineering and architecture ~~((who shall have charge and supervision of the division of engineering and architecture. With the approval of the director, the supervisor may appoint and employ such assistants~~

and personnel as may be necessary to carry out the work of the division)).

~~(No)~~ A person ~~(shall be)~~ is not eligible for appointment as supervisor of engineering and architecture unless he or she is licensed to practice the profession of engineering or the profession of architecture in the state of Washington and for the last five years prior to his or her appointment has been licensed to practice the profession of engineering or the profession of architecture.

As used in this section, "state facilities" includes all state buildings, related structures, and appurtenances constructed for any elected state officials, institutions, departments, boards, commissions, colleges, community colleges, except the state universities, The Evergreen State College and regional universities. "State facilities" does not include facilities owned by or used for operational purposes and constructed for the department of transportation, department of fish and wildlife, department of natural resources, or state parks and recreation commission.

The director ~~(of general administration, through the division of engineering and architecture)~~ or the director's designee shall:

(1) Prepare cost estimates and technical information to accompany the capital budget and prepare or contract for plans and specifications for new construction and major repairs and alterations to state facilities.

(2) Contract for professional architectural, engineering, and related services for the design of new state facilities and major repair or alterations to existing state facilities.

(3) Provide contract administration for new construction and the repair and alteration of existing state facilities.

(4) In accordance with the public works laws, contract on behalf of the state for the new construction and major repair or alteration of state facilities.

The director may delegate any and all of the functions under subsections (1) through (4) of this section to any agency upon such terms and conditions as considered advisable.

~~(The director may delegate the authority granted to the department under RCW 39.04.150 to any agency upon such terms as considered advisable.)~~

Sec. 223. RCW 43.19.455 and 2005 c 36 s 6 are each amended to read as follows:

Except as provided under RCW 43.17.210, the Washington state arts commission shall determine the amount to be made available for the purchase of art under RCW 43.17.200 in consultation with the director ~~(of general administration)~~, and payments therefor shall be made in accordance with law. The designation of projects and sites, selection, contracting, purchase, commissioning, reviewing of design, execution and placement, acceptance, maintenance, and sale, exchange, or disposition of works of art shall be the responsibility of the Washington state arts commission in consultation with the director ~~(of general administration)~~.

Sec. 224. RCW 43.19.500 and 2005 c 330 s 6 are each amended to read as follows:

The ~~(general administration)~~ enterprise services account shall be used by the department ~~(of general administration)~~ for the payment of certain costs, expenses, and charges, as specified in this section, incurred by it in the operation and administration of the department in the rendering of services, the furnishing or supplying of equipment, supplies and materials, and for providing or allocating facilities, including the operation, maintenance, rehabilitation, or furnishings thereof to other agencies, offices, departments, activities, and other entities enumerated in RCW 43.01.090 and including the rendering of services in acquiring real estate under RCW 43.82.010 and the operation and maintenance of public and historic facilities at the state capitol, as defined in RCW 79.24.710. The department shall treat the rendering of services in acquiring real estate and the operation and maintenance of state capitol public and historic facilities as separate

operating entities within the account for financial accounting and control.

The schedule of services, facilities, equipment, supplies, materials, maintenance, rehabilitation, furnishings, operations, and administration to be so financed and recovered shall be determined jointly by the director ~~(of general administration)~~ and the director of financial management, in equitable amounts which, together with any other income or appropriation, will provide the department ~~(of general administration)~~ with funds to meet its anticipated expenditures during any allotment period.

The director ~~(of general administration)~~ may adopt rules governing the provisions of RCW 43.01.090 and this section and the relationships and procedures between the department ~~(of general administration)~~ and such other entities.

Sec. 225. RCW 43.19.501 and 2009 c 564 s 932 are each amended to read as follows:

The Thurston county capital facilities account is created in the state treasury. The account is subject to the appropriation and allotment procedures under chapter 43.88 RCW. Moneys in the account may be expended for capital projects in facilities owned and managed by the department ~~(of general administration)~~ in Thurston county. For the 2007-2009 biennium, moneys in the account may be used for predesign identified in section 1037, chapter 328, Laws of 2008.

During the 2009-2011 fiscal biennium, the legislature may transfer from the Thurston county capital facilities account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 226. RCW 43.19.530 and 2005 c 204 s 2 are each amended to read as follows:

The state agencies and departments are hereby authorized to purchase products and/or services manufactured or provided by ~~(1) community rehabilitation programs of the department of social and health services~~ ~~(2) Until December 31, 2009, businesses owned and operated by persons with disabilities~~.

Such purchases shall be at the fair market price of such products and services as determined by the ~~(division of purchasing of the)~~ department of ~~(general administration)~~ enterprise services. To determine the fair market price the ~~(division)~~ department shall use the last comparable bid on the products and/or services or in the alternative the last price paid for the products and/or services. The increased cost of labor, materials, and other documented costs since the last comparable bid or the last price paid are additional cost factors which shall be considered in determining fair market price. Upon the establishment of the fair market price as provided for in this section the ~~(division)~~ department is hereby empowered to negotiate directly for the purchase of products or services with officials in charge of the community rehabilitation programs of the department of social and health services ~~(and, until December 31, 2007, businesses owned and operated by persons with disabilities)~~.

Sec. 227. RCW 43.19.534 and 2009 c 470 s 717 are each amended to read as follows:

(1) State agencies, the legislature, and departments shall purchase for their use all goods and services required by the legislature, agencies, or departments that are produced or provided in whole or in part from class II inmate work programs operated by the department of corrections through state contract. These goods and services shall not be purchased from any other source unless, upon application by the department or agency: (a) The department ~~(of general administration)~~ finds that the articles or products do not meet the reasonable requirements of the agency or department, (b) are not of equal or better quality, or (c) the price of the product or service is higher than that produced by the private sector. However, the criteria contained in (a), (b), and (c) of this ~~(section)~~ subsection for purchasing goods and services from sources other than correctional

industries do not apply to goods and services produced by correctional industries that primarily replace goods manufactured or services obtained from outside the state. The department of corrections and department ~~((of general administration))~~ shall adopt administrative rules that implement this section.

(2) During the 2009-2011 fiscal biennium, and in conformance with section 223(11), chapter 470, Laws of 2009, this section does not apply to the purchase of uniforms by the Washington state ferries.

Sec. 228. RCW 43.19.538 and 1991 c 297 s 5 are each amended to read as follows:

(1) The director ~~((of general administration, through the state purchasing director,))~~ shall develop specifications and adopt rules for the purchase of products which will provide for preferential purchase of products containing recycled material by:

(a) The use of a weighting factor determined by the amount of recycled material in a product, where appropriate and known in advance to potential bidders, to determine the lowest responsible bidder. The actual dollars bid shall be the contracted amount. If the department determines, according to criteria established by rule that the use of this weighting factor does not encourage the use of more recycled material, the department shall consider and award bids without regard to the weighting factor. In making this determination, the department shall consider but not be limited to such factors as adequate competition, economics or environmental constraints, quality, and availability.

(b) Requiring a written statement of the percentage range of recycled content from the bidder providing products containing recycled [material]. The range may be stated in five percent increments.

(2) The director shall develop a directory of businesses that supply products containing significant quantities of recycled materials. This directory may be combined with and made accessible through the database of recycled content products to be developed under RCW 43.19A.060.

(3) The director shall encourage all parties using the state purchasing office to purchase products containing recycled materials.

(4) The rules, specifications, and bid evaluation shall be consistent with recycled content standards adopted under RCW 43.19A.020.

Sec. 229. RCW 43.19.539 and 2006 c 183 s 36 are each amended to read as follows:

(1) The department ~~((of general administration))~~ shall establish purchasing and procurement policies that establish a preference for electronic products that meet environmental performance standards relating to the reduction or elimination of hazardous materials.

(2) The department ~~((of general administration))~~ shall ensure that their surplus electronic products, other than those sold individually to private citizens, are managed only by registered transporters and by processors meeting the requirements of RCW 70.95N.250 ~~((and section 26 of this act))~~.

(3) The department ~~((of general administration))~~ shall ensure that their surplus electronic products are directed to legal secondary materials markets by requiring a chain of custody record that documents to whom the products were initially delivered through to the end use manufacturer.

Sec. 230. RCW 43.19.560 and 1983 c 187 s 3 are each amended to read as follows:

As used in RCW 43.19.565 through 43.19.635, 43.41.130 and 43.41.140, the following definitions shall apply:

(1) "Passenger motor vehicle" means any sedan, station wagon, bus, or light truck which is designed for carrying ten passengers or less and is used primarily for the transportation of persons;

(2) "State agency" shall include any state office, agency, commission, department, or institution financed in whole or in part from funds appropriated by the legislature. It shall also include the Washington state school director's association ~~((and the state printer))~~,

but it shall not include (a) the state supreme court or any agency of the judicial branch or (b) the legislature or any of its statutory, standing, special, or interim committees, other than at the option of the judicial or legislative agency or committee concerned;

(3) "Employee commuting" shall mean travel by a state officer or employee to or from his or her official residence or other domicile to or from his or her official duty station or other place of work;

(4) "Motor vehicle transportation services" shall include but not be limited to the furnishing of motor vehicles for the transportation of persons or property, with or without drivers, and may also include furnishing of maintenance, storage, and other support services to state agencies for the conduct of official state business.

Sec. 231. RCW 43.19.565 and 2005 c 214 s 1 are each amended to read as follows:

The department ~~((of general administration))~~ shall establish a motor vehicle transportation service which is hereby empowered to:

(1) Provide suitable motor vehicle transportation services to ~~((any))~~ state ~~((agency))~~ agencies on either a temporary or permanent basis ~~((upon requisition from a state agency))~~ and upon such demonstration of need as the department may require;

(2) Provide motor pools for the use of state agencies located in the Olympia area and such additional motor pools at other locations in the state as may be necessary to provide economic, efficient, and effective motor vehicle transportation services to state agencies. Such additional motor pools may be under either the direct control of the department or under the supervision of another state agency by agreement with the department;

(3) Establish an equitable schedule of rental and mileage charges to agencies for motor vehicle transportation services furnished which shall be designed to provide funds to ~~((cover replacement of vehicles, the purchase of additional vehicles, and to))~~ recover the actual total costs of motor pool operations including but not limited to vehicle operation expense, depreciation expense, overhead, and nonrecoverable collision or other damage to vehicles; and

(4) Establish guidelines, procedures, and standards for fleet operations that other state agencies and institutions of higher education may adopt. The guidelines, procedures, and standards shall be consistent with and carry out the objectives of any general policies adopted by the office of financial management under RCW 43.41.130.

Unless otherwise determined by the director after consultation with the office of financial management, vehicles owned and managed by the department of transportation, the department of natural resources, and the Washington state patrol are exempt from the requirements of subsections (1), (2), and (4) of this section.

Sec. 232. RCW 43.19.585 and 1975 1st ex.s. c 167 s 7 are each amended to read as follows:

The director ~~((of general administration shall appoint a supervisor of motor transport, who))~~ or the director's designee shall have general charge and supervision of state motor pools and motor vehicle transportation services under departmental administration and control. ~~((The appointment of all personnel, except the supervisor, shall be made pursuant to chapter 41.06 RCW, the state civil service law, as now or hereafter amended.~~

~~With the approval of) The director~~~~((the supervisor shall (1) appoint and employ such assistants and personnel as may be necessary, (2))~~ or the director's designee shall (1) acquire by purchase or otherwise a sufficient number of motor vehicles to fulfill state agency needs for motor vehicle transportation service, ~~((3))~~ (2) provide for necessary ~~((storage))~~ upkeep~~((s))~~ and repair, and ~~((4))~~ (3) provide for servicing motor pool vehicles with fuel, lubricants, and other operating requirements.

Sec. 233. RCW 43.19.600 and 2009 c 549 s 5068 are each amended to read as follows:

(1) ~~((On or after July 1, 1975.))~~ Any passenger motor vehicles currently owned or hereafter acquired by any state agency~~((, except~~

vehicles acquired from federal granted funds and over which the federal government retains jurisdiction and control, may) shall be purchased by or transferred to the department ((of general administration with the consent of the state agency concerned)). The director ((of general administration)) may accept vehicles subject to the provisions of RCW 43.19.560 through 43.19.630, 43.41.130 and 43.41.140 prior to July 1, 1975, if he or she deems it expedient to accomplish an orderly transition.

(2) The department, in cooperation with the office of financial management, shall study and ascertain current and prospective needs of state agencies for passenger motor vehicles and shall ((recommend)) direct the transfer to a state motor pool or other appropriate disposition of any vehicle found not to be required by a state agency.

(3) The department shall direct the transfer of passenger motor vehicles from a state agency to a state motor pool or other disposition as appropriate, based on a study under subsection (2) of this section, ((or after a public hearing held by the department,)) if a finding is made based on ((testimony and)) data therein submitted that the economy, efficiency, or effectiveness of state government would be improved by such a transfer or other disposition of passenger motor vehicles. Any dispute over the accuracy of ((testimony and)) data submitted as to the benefits in state governmental economy, efficiency, and effectiveness to be gained by such transfer shall be resolved by the ((governor or the governor's designee)) director and the director of financial management. Unless otherwise determined by the director after consultation with the office of financial management, vehicles owned and managed by the department of transportation, the department of natural resources, and the Washington state patrol are exempt from the requirements of subsections (1) through (3) of this section.

Sec. 234. RCW 43.19.610 and 1998 c 105 s 12 are each amended to read as follows:

All moneys, funds, proceeds, and receipts as ((provided in RCW 43.19.615 and as may otherwise be)) provided by law shall be paid into the ((general administration)) enterprise services account. Disbursements therefrom shall be made in accordance with the provisions of RCW 43.19.560 through 43.19.630, 43.41.130 and 43.41.140 as authorized by the director or a duly authorized representative and as may be provided by law.

Sec. 235. RCW 43.19.620 and 2009 c 549 s 5069 are each amended to read as follows:

The director ((of general administration, through the supervisor of motor transport,)) shall adopt((, promulgate,)) and enforce ((such regulations)) rules as may be deemed necessary to accomplish the purpose of RCW 43.19.560 through 43.19.630, 43.41.130, and 43.41.140. ((Such regulations)) The rules, in addition to other matters, shall provide authority for any agency director or his or her delegate to approve the use on official state business of personally owned or commercially owned rental passenger motor vehicles. Before such an authorization is made, it must first be reasonably determined that state owned passenger vehicles or other suitable transportation is not available at the time or location required or that the use of such other transportation would not be conducive to the economical, efficient, and effective conduct of business.

((Such regulations)) The rules shall be consistent with and shall carry out the objectives of the general policies and guidelines adopted by the office of financial management pursuant to RCW 43.41.130.

Sec. 236. RCW 43.19.635 and 2009 c 549 s 5071 are each amended to read as follows:

(1) The governor, acting through the department ((of general administration)) and any other appropriate agency or agencies as he or she may direct, is empowered to utilize all reasonable means for detecting the unauthorized use of state owned motor vehicles, including the execution of agreements with the state patrol for compliance enforcement. Whenever such illegal use is discovered

which involves a state employee, the employing agency shall proceed as provided by law to establish the amount, extent, and dollar value of any such use, including an opportunity for notice and hearing for the employee involved. When such illegal use is so established, the agency shall assess its full cost of any mileage illegally used and shall recover such amounts by deductions from salary or allowances due to be paid to the offending official or employee by other means. Recovery of costs by the state under this subsection shall not preclude disciplinary or other action by the appropriate appointing authority or employing agency under subsection (2) of this section.

(2) Any ((willful)) willful and knowing violation of any provision of RCW 43.19.560 through 43.19.620, 43.41.130 and 43.41.140 shall subject the state official or employee committing such violation to disciplinary action by the appropriate appointing or employing agency. Such disciplinary action may include, but shall not be limited to, suspension without pay, or termination of employment in the case of repeated violations.

(3) Any casual or inadvertent violation of RCW 43.19.560 through 43.19.620, 43.41.130 and 43.41.140 may subject the state official or employee committing such violation to disciplinary action by the appropriate appointing authority or employing agency. Such disciplinary action may include, but need not be limited to, suspension without pay.

Sec. 237. RCW 43.19.646 and 2006 c 338 s 12 are each amended to read as follows:

(1) The department ((of general administration)) must assist state agencies seeking to meet the biodiesel fuel requirements in RCW 43.19.642 by coordinating the purchase and delivery of biodiesel if requested by any state agency. The department may use long-term contracts of up to ten years, when purchasing from in-state suppliers who use predominantly in-state feedstock, to secure a sufficient and stable supply of biodiesel for use by state agencies.

(2) The department shall compile and analyze the reports submitted under RCW 43.19.642((4)) (3) and report in an electronic format its findings and recommendations to the governor and committees of the legislature with responsibility for energy issues, within sixty days from the end of each reporting period. The governor shall consider these reports in determining whether to temporarily suspend minimum renewable fuel content requirements as authorized under RCW 19.112.160.

Sec. 238. RCW 43.19.663 and 2002 c 285 s 4 are each amended to read as follows:

(1) The department ((of general administration)), in cooperation with public agencies, shall investigate opportunities to aggregate the purchase of clean technologies with other public agencies to determine whether or not combined purchasing can reduce the unit cost of clean technologies.

(2) State agencies that are retail electric customers shall investigate opportunities to aggregate the purchase of electricity produced from generation resources that are fueled by wind or solar energy for their facilities located within a single utility's service area, to determine whether or not combined purchasing can reduce the unit cost of those resources.

(3) No public agency is required under this section to purchase clean technologies at prohibitive costs.

(4)(a) "Electric utility" shall have the same meaning as provided under RCW 19.29A.010.

(b) "Clean technology" includes, but may not be limited to, alternative fueled hybrid-electric and fuel cell vehicles, and distributive power generation.

(c) "Distributive power generation" means the generation of electricity from an integrated or stand-alone power plant that generates electricity from wind energy, solar energy, or fuel cells.

(d) "Retail electric customer" shall have the same meaning as provided under RCW 19.29A.010.

(e) "Facility" means any building owned or leased by a public agency.

Sec. 239. RCW 43.19.685 and 1982 c 48 s 4 are each amended to read as follows:

The director (~~(of general administration)~~) shall develop lease covenants, conditions, and terms which:

(1) Obligate the lessor to conduct or have conducted a walk-through survey of the leased premises;

(2) Obligate the lessor to implement identified energy conservation maintenance and operating procedures upon completion of the walk-through survey; and

(3) Obligate the lessor to undertake technical assistance studies and subsequent acquisition and installation of energy conservation measures if the director (~~(of general administration)~~), in accordance with rules adopted by the department, determines that these studies and measures will both conserve energy and can be accomplished with a state funding contribution limited to the savings which would result in utility expenses during the term of the lease.

These lease covenants, conditions, and terms shall be incorporated into all specified new, renewed, and renegotiated leases executed on or after January 1, 1983. This section applies to all leases under which state occupancy is at least half of the facility space and includes an area greater than three thousand square feet.

Sec. 240. RCW 43.19.702 and 1983 c 183 s 2 are each amended to read as follows:

The director (~~(of general administration)~~) shall compile a list of the statutes and regulations, relating to state purchasing, of each state, which statutes and regulations the director believes grant a preference to vendors located within the state or goods manufactured within the state. At least once every twelve months the director shall update the list.

Sec. 241. RCW 43.19.704 and 1983 c 183 s 3 are each amended to read as follows:

The director (~~(of general administration)~~) shall adopt and apply rules designed to provide for some reciprocity in bidding between Washington and those states having statutes or regulations on the list under RCW 43.19.702. The director (~~(of general administration)~~) shall have broad discretionary power in developing these rules and the rules shall provide for reciprocity only to the extent and in those instances where the director considers it appropriate. For the purpose of determining the lowest responsible bidder pursuant to RCW 43.19.1911, such rules shall (1) require the director to impose a reciprocity increase on bids when appropriate under the rules and (2) establish methods for determining the amount of the increase. In no instance shall such increase, if any, be paid to a vendor whose bid is accepted.

Sec. 242. RCW 43.19.708 and 2010 c 5 s 5 are each amended to read as follows:

The department (~~(of general administration)~~) shall identify in the department's vendor registry all vendors that are veteran-owned businesses as certified by the department of veterans affairs under RCW 43.60A.195.

Sec. 243. RCW 43.19.710 and 1993 c 219 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this section and RCW 43.19.715.

(1) "Consolidated mail service" means incoming, outgoing, and internal mail processing.

(2) ("Department" means the department of general administration.

(3) "Director" means the director of the department of general administration.

(4) "Agency" means:

(a) The office of the governor; and

(b) Any office, department, board, commission, or other separate unit or division, however designated, of the state government,

together with all personnel thereof: Upon which the statutes confer powers and impose duties in connection with operations of either a governmental or proprietary nature; and that has as its chief executive officer a person or combination of persons such as a commission, board, or council, by law empowered to operate it, responsible either to: (i) No other public officer or (ii) the governor.

(5)) "Incoming mail" means mail, packages, or similar items received by an agency, through the United States postal service, private carrier services, or other courier services.

((6)) (3) "Outgoing mail" means mail, packages, or similar items processed for agencies to be sent through the United States postal service, private carrier services, or other courier services.

((7)) (4) "Internal mail" means interagency mail, packages, or similar items that are delivered or to be delivered to a state agency, the legislature, the supreme court, or the court of appeals, and their officers and employees.

Sec. 244. RCW 19.27.070 and 2010 c 275 s 1 are each amended to read as follows:

There is hereby established a state building code council, to be appointed by the governor.

(1) The state building code council shall consist of fifteen members:

(a) Two members must be county elected legislative body members or elected executives;

(b) Two members must be city elected legislative body members or mayors;

(c) One member must be a local government building code enforcement official;

(d) One member must be a local government fire service official;

(e) One member shall represent general construction, specializing in commercial and industrial building construction;

(f) One member shall represent general construction, specializing in residential and multifamily building construction;

(g) One member shall represent the architectural design profession;

(h) One member shall represent the structural engineering profession;

(i) One member shall represent the mechanical engineering profession;

(j) One member shall represent the construction building trades;

(k) One member shall represent manufacturers, installers, or suppliers of building materials and components;

(l) One member must be a person with a physical disability and shall represent the disability community; and

(m) One member shall represent the general public.

(2) At least six of these fifteen members shall reside east of the crest of the Cascade mountains.

(3) The council shall include: Two members of the house of representatives appointed by the speaker of the house, one from each caucus; two members of the senate appointed by the president of the senate, one from each caucus; and an employee of the electrical division of the department of labor and industries, as ex officio, nonvoting members with all other privileges and rights of membership.

(4)(a) Terms of office shall be for three years, or for so long as the member remains qualified for the appointment.

(b) The council shall elect a member to serve as chair of the council for one-year terms of office.

(c) Any member who is appointed by virtue of being an elected official or holding public employment shall be removed from the council if he or she ceases being such an elected official or holding such public employment.

(d) Any member who is appointed to represent a specific private sector industry must maintain sufficiently similar employment or circumstances throughout the term of office to remain qualified to represent the specified industry. Retirement or unemployment is not

cause for termination. However, if a councilmember enters into employment outside of the industry he or she has been appointed to represent, then he or she shall be removed from the council.

(e) Any member who no longer qualifies for appointment under this section may not vote on council actions, but may participate as an ex officio, nonvoting member until a replacement member is appointed. A member must notify the council staff and the governor's office within thirty days of the date the member no longer qualifies for appointment under this section. The governor shall appoint a qualified replacement for the member within sixty days of notice.

(5) Before making any appointments to the building code council, the governor shall seek nominations from recognized organizations which represent the entities or interests identified in this section.

(6) Members shall not be compensated but shall receive reimbursement for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(7) The department of ~~((commerce))~~ enterprise services shall provide administrative and clerical assistance to the building code council.

Sec. 245. RCW 19.27A.140 and 2010 c 271 s 305 are each amended to read as follows:

The definitions in this section apply to RCW 19.27A.130 through 19.27A.190 and 19.27A.020 unless the context clearly requires otherwise.

(1) "Benchmark" means the energy used by a facility as recorded monthly for at least one year and the facility characteristics information inputs required for a portfolio manager.

(2) "Conditioned space" means conditioned space, as defined in the Washington state energy code.

(3) "Consumer-owned utility" includes a municipal electric utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, a mutual corporation or association formed under chapter 24.06 RCW, a port district formed under Title 53 RCW, or a water-sewer district formed under Title 57 RCW, that is engaged in the business of distributing electricity to one or more retail electric customers in the state.

(4) "Cost-effectiveness" means that a project or resource is forecast:

(a) To be reliable and available within the time it is needed; and

(b) To meet or reduce the power demand of the intended consumers at an estimated incremental system cost no greater than that of the least-cost similarly reliable and available alternative project or resource, or any combination thereof.

(5) "Council" means the state building code council.

(6) "Embodied energy" means the total amount of fossil fuel energy consumed to extract raw materials and to manufacture, assemble, transport, and install the materials in a building and the life-cycle cost benefits including the recyclability and energy efficiencies with respect to building materials, taking into account the total sum of current values for the costs of investment, capital, installation, operating, maintenance, and replacement as estimated for the lifetime of the product or project.

(7) "Energy consumption data" means the monthly amount of energy consumed by a customer as recorded by the applicable energy meter for the most recent twelve-month period.

(8) "Energy service company" has the same meaning as in RCW 43.19.670.

(9) "~~((General administration))~~ Enterprise services" means the department of ~~((general administration))~~ enterprise services.

(10) "Greenhouse gas" and "greenhouse gases" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

(11) "Investment grade energy audit" means an intensive engineering analysis of energy efficiency and management measures

for the facility, net energy savings, and a cost-effectiveness determination.

(12) "Investor-owned utility" means a corporation owned by investors that meets the definition of "corporation" as defined in RCW 80.04.010 and is engaged in distributing either electricity or natural gas, or both, to more than one retail electric customer in the state.

(13) "Major facility" means any publicly owned or leased building, or a group of such buildings at a single site, having ten thousand square feet or more of conditioned floor space.

(14) "National energy performance rating" means the score provided by the energy star program, to indicate the energy efficiency performance of the building compared to similar buildings in that climate as defined in the United States environmental protection agency "ENERGY STAR® Performance Ratings Technical Methodology."

(15) "Net zero energy use" means a building with net energy consumption of zero over a typical year.

(16) "Portfolio manager" means the United States environmental protection agency's energy star portfolio manager or an equivalent tool adopted by the department of ~~((general administration))~~ enterprise services.

(17) "Preliminary energy audit" means a quick evaluation by an energy service company of the energy savings potential of a building.

(18) "Qualifying public agency" includes all state agencies, colleges, and universities.

(19) "Qualifying utility" means a consumer-owned or investor-owned gas or electric utility that serves more than twenty-five thousand customers in the state of Washington.

(20) "Reporting public facility" means any of the following:

(a) A building or structure, or a group of buildings or structures at a single site, owned by a qualifying public agency, that exceed ten thousand square feet of conditioned space;

(b) Buildings, structures, or spaces leased by a qualifying public agency that exceeds ten thousand square feet of conditioned space, where the qualifying public agency purchases energy directly from the investor-owned or consumer-owned utility;

(c) A wastewater treatment facility owned by a qualifying public agency; or

(d) Other facilities selected by the qualifying public agency.

(21) "State portfolio manager master account" means a portfolio manager account established to provide a single shared portfolio that includes reports for all the reporting public facilities.

Sec. 246. RCW 39.34.055 and 1994 c 98 s 1 are each amended to read as follows:

The ~~((office of state procurement within the))~~ department of ~~((general administration))~~ enterprise services may enter into an agreement with a public benefit nonprofit corporation to allow the public benefit nonprofit corporation to participate in state contracts for purchases administered by the ~~((office of state procurement))~~ department. Such agreement must comply with the requirements of RCW 39.34.030 through 39.34.050. For the purposes of this section "public benefit nonprofit corporation" means a public benefit nonprofit corporation as defined in RCW 24.03.005 that is receiving local, state, or federal funds either directly or through a public agency other than an Indian tribe or a political subdivision of another state.

Sec. 247. RCW 39.35.030 and 2001 c 214 s 16 are each amended to read as follows:

For the purposes of this chapter the following words and phrases shall have the following meanings unless the context clearly requires otherwise:

(1) "Public agency" means every state office, officer, board, commission, committee, bureau, department, and all political subdivisions of the state.

(2) "Department" means the state department of ~~((general administration))~~ enterprise services.

(3) "Major facility" means any publicly owned or leased building having twenty-five thousand square feet or more of usable floor space.

(4) "Initial cost" means the moneys required for the capital construction or renovation of a major facility.

(5) "Renovation" means additions, alterations, or repairs within any twelve-month period which exceed fifty percent of the value of a major facility and which will affect any energy system.

(6) "Economic life" means the projected or anticipated useful life of a major facility as expressed by a term of years.

(7) "Energy management system" means a program, energy efficiency equipment, technology, device, or other measure including, but not limited to, a management, educational, or promotional program, smart appliance, meter reading system that provides energy information capability, computer software or hardware, communications equipment or hardware, thermostat or other control equipment, together with related administrative or operational programs, that allows identification and management of opportunities for improvement in the efficiency of energy use, including but not limited to a measure that allows:

(a) Energy consumers to obtain information about their energy usage and the cost of energy in connection with their usage;

(b) Interactive communication between energy consumers and their energy suppliers;

(c) Energy consumers to respond to energy price signals and to manage their purchase and use of energy; or

(d) For other kinds of dynamic, demand-side energy management.

(8) "Life-cycle cost" means the initial cost and cost of operation of a major facility over its economic life. This shall be calculated as the initial cost plus the operation, maintenance, and energy costs over its economic life, reflecting anticipated increases in these costs discounted to present value at the current rate for borrowing public funds, as determined by the office of financial management. The energy cost projections used shall be those provided by the department. The department shall update these projections at least every two years.

(9) "Life-cycle cost analysis" includes, but is not limited to, the following elements:

(a) The coordination and positioning of a major facility on its physical site;

(b) The amount and type of fenestration employed in a major facility;

(c) The amount of insulation incorporated into the design of a major facility;

(d) The variable occupancy and operating conditions of a major facility; and

(e) An energy-consumption analysis of a major facility.

(10) "Energy systems" means all utilities, including, but not limited to, heating, air-conditioning, ventilating, lighting, and the supplying of domestic hot water.

(11) "Energy-consumption analysis" means the evaluation of all energy systems and components by demand and type of energy including the internal energy load imposed on a major facility by its occupants, equipment, and components, and the external energy load imposed on a major facility by the climatic conditions of its location. An energy-consumption analysis of the operation of energy systems of a major facility shall include, but not be limited to, the following elements:

(a) The comparison of three or more system alternatives, at least one of which shall include renewable energy systems, and one of which shall comply at a minimum with the sustainable design guidelines of the United States green building council leadership in energy and environmental design silver standard or similar design standard as may be adopted by rule by the department;

(b) The simulation of each system over the entire range of operation of such facility for a year's operating period; and

(c) The evaluation of the energy consumption of component equipment in each system considering the operation of such components at other than full or rated outputs.

The energy-consumption analysis shall be prepared by a professional engineer or licensed architect who may use computers or such other methods as are capable of producing predictable results.

(12) "Renewable energy systems" means methods of facility design and construction and types of equipment for the utilization of renewable energy sources including, but not limited to, hydroelectric power, active or passive solar space heating or cooling, domestic solar water heating, windmills, waste heat, biomass and/or refuse-derived fuels, photovoltaic devices, and geothermal energy.

(13) "Cogeneration" means the sequential generation of two or more forms of energy from a common fuel or energy source. Where these forms are electricity and thermal energy, then the operating and efficiency standards established by 18 C.F.R. Sec. 292.205 and the definitions established by 18 C.F.R. 292.202 (c) through (m) as of July 28, 1991, shall apply.

(14) "Selected buildings" means educational, office, residential care, and correctional facilities that are designed to comply with the design standards analyzed and recommended by the department.

(15) "Design standards" means the heating, air-conditioning, ventilating, and renewable resource systems identified, analyzed, and recommended by the department as providing an efficient energy system or systems based on the economic life of the selected buildings.

Sec. 248. RCW 39.35C.010 and 2007 c 39 s 4 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Cogeneration" means the sequential generation of two or more forms of energy from a common fuel or energy source. If these forms are electricity and thermal energy, then the operating and efficiency standards established by 18 C.F.R. Sec. 292.205 and the definitions established by 18 C.F.R. Sec. 292.202 (c) through (m) apply.

(2) "Conservation" means reduced energy consumption or energy cost, or increased efficiency in the use of energy, and activities, measures, or equipment designed to achieve such results, but does not include thermal or electric energy production from cogeneration. "Conservation" also means reductions in the use or cost of water, wastewater, or solid waste.

(3) "Cost-effective" means that the present value to a state agency or school district of the energy reasonably expected to be saved or produced by a facility, activity, measure, or piece of equipment over its useful life, including any compensation received from a utility or the Bonneville power administration, is greater than the net present value of the costs of implementing, maintaining, and operating such facility, activity, measure, or piece of equipment over its useful life, when discounted at the cost of public borrowing.

(4) "Energy" means energy as defined in RCW 43.21F.025(~~(4)~~)
(5).

(5) "Energy audit" has the definition provided in RCW 43.19.670, and may include a determination of the water or solid waste consumption characteristics of a facility.

(6) "Energy efficiency project" means a conservation or cogeneration project.

(7) "Energy efficiency services" means assistance furnished by the department to state agencies and school districts in identifying, evaluating, and implementing energy efficiency projects.

(8) "Department" means the state department of (~~general administration~~) enterprise services.

(9) "Performance-based contracting" means contracts for which payment is conditional on achieving contractually specified energy savings.

(10) "Public agency" means every state office, officer, board, commission, committee, bureau, department, and all political subdivisions of the state.

(11) "Public facility" means a building or structure, or a group of buildings or structures at a single site, owned by a state agency or school district.

(12) "State agency" means every state office or department, whether elective or appointive, state institutions of higher education, and all boards, commissions, or divisions of state government, however designated.

(13) "State facility" means a building or structure, or a group of buildings or structures at a single site, owned by a state agency.

(14) "Utility" means privately or publicly owned electric and gas utilities, electric cooperatives and mutuals, whether located within or without Washington state.

(15) "Local utility" means the utility or utilities in whose service territory a public facility is located.

Sec. 249. RCW 39.35D.020 and 2006 c 263 s 330 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of (~~general administration~~) enterprise services.

(2) "High-performance public buildings" means high-performance public buildings designed, constructed, and certified to a standard as identified in this chapter.

(3) "Institutions of higher education" means the state universities, the regional universities, The Evergreen State College, the community colleges, and the technical colleges.

(4) "LEED silver standard" means the United States green building council leadership in energy and environmental design green building rating standard, referred to as silver standard.

(5)(a) "Major facility project" means: (i) A construction project larger than five thousand gross square feet of occupied or conditioned space as defined in the Washington state energy code; or (ii) a building renovation project when the cost is greater than fifty percent of the assessed value and the project is larger than five thousand gross square feet of occupied or conditioned space as defined in the Washington state energy code.

(b) "Major facility project" does not include: (i) Projects for which the department, public school district, or other applicable agency and the design team determine the LEED silver standard or the Washington sustainable school design protocol to be not practicable; or (ii) transmitter buildings, pumping stations, hospitals, research facilities primarily used for sponsored laboratory experimentation, laboratory research, or laboratory training in research methods, or other similar building types as determined by the department. When the LEED silver standard is determined to be not practicable for a project, then it must be determined if any LEED standard is practicable for the project. If LEED standards or the Washington sustainable school design protocol are not followed for the project, the public school district or public agency shall report these reasons to the department.

(6) "Public agency" means every state office, officer, board, commission, committee, bureau, department, and public higher education institution.

(7) "Public school district" means a school district eligible to receive state basic education moneys pursuant to RCW 28A.150.250 and 28A.150.260.

(8) "Washington sustainable school design protocol" means the school design protocol and related information developed by the office of the superintendent of public instruction, in conjunction with school districts and the school facilities advisory board.

Sec. 250. RCW 43.19A.010 and 1992 c 174 s 12 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Compost products" means mulch, soil amendments, ground cover, or other landscaping material derived from the biological or mechanical conversion of biosolids or cellulose-containing waste materials.

(2) "Department" means the department of (~~general administration~~) enterprise services.

(3) "Director" means the director of the department of (~~general administration~~) enterprise services.

(4) "Local government" means a city, town, county, special purpose district, school district, or other municipal corporation.

(5) "Lubricating oil" means petroleum-based oils for reducing friction in engine parts and other mechanical parts.

(6) "Mixed waste paper" means assorted low-value grades of paper that have not been separated into individual grades of paper at the point of collection.

(7) "Municipal sewage sludge" means a semisolid substance consisting of settled sewage solids combined with varying amounts of water and dissolved materials generated from a publicly owned wastewater treatment plant.

(8) "Biosolids" means municipal sewage sludge or septic tank septage sludge that meets the requirements of chapter 70.95J.

(9) "Paper and paper products" means all items manufactured from paper or paperboard.

(10) "Postconsumer waste" means a material or product that has served its intended use and has been discarded for disposal or recovery by a final consumer.

(11) "Procurement officer" means the person that has the primary responsibility for procurement of materials or products.

(12) "State agency" means all units of state government, including divisions of the governor's office, the legislature, the judiciary, state agencies and departments, correctional institutions, vocational technical institutions, and universities and colleges.

(13) "Recycled content product" or "recycled product" means a product containing recycled materials.

(14) "Recycled materials" means waste materials and by-products that have been recovered or diverted from solid waste and that can be utilized in place of a raw or virgin material in manufacturing a product and consists of materials derived from postconsumer waste, manufacturing waste, industrial scrap, agricultural wastes, and other items, all of which can be used in the manufacture of new or recycled products.

(15) "Re-refined oils" means used lubricating oils from which the physical and chemical contaminants acquired through previous use have been removed through a refining process. Re-refining may include distillation, hydrotreating, or treatments employing acid, caustic, solvent, clay, or other chemicals, or other physical treatments other than those used in reclaiming.

(16) "USEPA product standards" means the product standards of the United States environmental protection agency for recycled content published in the code of federal regulations.

Sec. 251. RCW 43.19A.022 and 2009 c 356 s 2 are each amended to read as follows:

(1) (~~By December 31, 2009,~~) All state agencies shall purchase one hundred percent recycled content white cut sheet bond paper used in office printers and copiers. State agencies are encouraged to give priority to purchasing from companies that produce paper in facilities that generate energy from a renewable energy source.

(2) State agencies that utilize office printers and copiers that, after reasonable attempts, cannot be calibrated to utilize such paper referenced in subsection (1) of this section, must for those models of equipment:

(a) Purchase paper at the highest recycled content that can be utilized efficiently by the copier or printer;

(b) At the time of lease renewal or at the end of the life-cycle, either lease or purchase a model that will efficiently utilize one hundred percent recycled content white cut sheet bond paper;

(3) Printed projects that require the use of high volume production inserters or high-speed digital devices, such as those used by ~~((the state printer, department of information services, and))~~ the department of ~~((general administration))~~ enterprise services, are not required to meet the one hundred percent recycled content white cut sheet bond paper standard, but must utilize the highest recycled content that can be utilized efficiently by such equipment and not impede the business of agencies.

(4) The ~~((state printer,))~~ department of ~~((general administration,))~~ enterprise services and the department of information services shall work together to identify for use by agencies one hundred percent recycled paper products that process efficiently through high-speed production equipment and do not impede the business of agencies.

Sec. 252. RCW 39.32.035 and 1998 c 105 s 3 are each amended to read as follows:

The ~~((general administration))~~ enterprise services account shall be administered by the director of ~~((general administration))~~ enterprise services and be used for the purchase, lease or other acquisition from time to time of surplus property from any federal, state, or local government surplus property disposal agency. The director may purchase, lease or acquire such surplus property on the requisition of an eligible donee and without such requisition at such time or times as he or she deems it advantageous to do so; and in either case he or she shall be responsible for the care and custody of the property purchased so long as it remains in his or her possession.

Sec. 253. RCW 43.01.225 and 1995 c 215 s 2 are each amended to read as follows:

There is hereby established an account in the state treasury to be known as the "state vehicle parking account." All parking rental income resulting from parking fees established by the department of ~~((general administration))~~ enterprise services under RCW 46.08.172 at state-owned or leased property shall be deposited in the "state vehicle parking account." Revenue deposited in the "state vehicle parking account" shall be first applied to pledged purposes. Unpledged parking revenues deposited in the "state vehicle parking account" may be used to:

(1) Pay costs incurred in the operation, maintenance, regulation, and enforcement of vehicle parking and parking facilities;

(2) Support the lease costs and investment costs of vehicle parking and parking facilities; and

(3) Support agency commute trip reduction programs under RCW 70.94.521 through 70.94.551.

Sec. 254. RCW 43.82.120 and 1998 c 105 s 14 are each amended to read as follows:

All rental income collected by the department of ~~((general administration))~~ enterprise services from rental of state buildings shall be deposited in the ~~((general administration))~~ enterprise services account.

Sec. 255. RCW 43.82.125 and 1998 c 105 s 15 are each amended to read as follows:

The ~~((general administration))~~ enterprise services account shall be used to pay all costs incurred by the department in the operation of real estate managed under the terms of this chapter. Moneys received into the ~~((general administration))~~ enterprise services account shall be used to pay rent to the owner of the space for occupancy of which the charges have been made and to pay utility and operational costs of the space utilized by the occupying agency: PROVIDED, That moneys received into the account for occupancy of space owned by the state where utilities and other operational costs are covered by appropriation to the department of ~~((general administration))~~

enterprise services shall be immediately transmitted to the general fund.

Sec. 256. RCW 43.99H.070 and 1995 c 215 s 6 are each amended to read as follows:

In addition to any other charges authorized by law and to assist in the reimbursement of principal and interest payments on bonds issued for the purposes of RCW 43.99H.020(15), the following revenues may be collected:

(1) The director of ~~((general administration))~~ enterprise services may assess a charge against each state board, commission, agency, office, department, activity, or other occupant of the facility or building constructed with bonds issued for the purposes of RCW 43.99H.020(15) for payment of a proportion of costs for each square foot of floor space assigned to or occupied by the entity. Payment of the amount billed to the entity for such occupancy shall be made quarterly during each fiscal year. The director of ~~((general administration))~~ enterprise services shall deposit the payment in the capitol campus reserve account.

(2) The director of ~~((general administration))~~ enterprise services may pledge a portion of the parking rental income collected by the department of ~~((general administration))~~ enterprise services from parking space developed as a part of the facility constructed with bonds issued for the purposes of RCW 43.99H.020(15). The pledged portion of this income shall be deposited in the capitol campus reserve account. The unpledged portion of this income shall continue to be deposited in the state vehicle parking account.

(3) The state treasurer shall transfer four million dollars from the capitol building construction account to the capitol campus reserve account each fiscal year from 1990 to 1995. Beginning in fiscal year 1996, the director of ~~((general administration))~~ enterprise services, in consultation with the state finance committee, shall determine the necessary amount for the state treasurer to transfer from the capitol building construction account to the capitol campus reserve account for the purpose of repayment of the general fund of the costs of the bonds issued for the purposes of RCW 43.99H.020(15).

(4) Any remaining balance in the state building and parking bond redemption account after the final debt service payment shall be transferred to the capitol campus reserve account.

Sec. 257. RCW 73.24.020 and 1937 c 36 s 1 are each amended to read as follows:

The director of the department of ~~((finance, budget and business))~~ enterprise services is hereby authorized and directed to contract with Olympia Lodge No. 1, F.& A.M., a corporation for the improvement and perpetual care of the state veterans' plot in the Masonic cemetery at Olympia; such care to include the providing of proper curbs and walks, cultivating, reseeding and fertilizing grounds, repairing and resetting the bases and monuments in place on the ground, leveling grounds, and transporting and setting headstones for graves of persons hereafter buried on the plot.

NEW SECTION. Sec. 258. The following acts or parts of acts are each repealed:

(1) RCW 43.19.010 (Director--Authority, appointment, salary) and 1999 c 229 s 1, 1993 c 472 s 19, 1988 c 25 s 10, 1975 1st ex.s. c 167 s 1, & 1965 c 8 s 43.19.010;

(2) RCW 43.19.1923 (General administration services account--Use) and 2001 c 292 s 3, 1998 c 105 s 6, 1991 sp.s. c 16 s 921, 1987 c 504 s 17, 1975-76 2nd ex.s. c 21 s 12, 1967 ex.s. c 104 s 5, & 1965 c 8 s 43.19.1923;

(3) RCW 43.19.1925 (Combined purchases of commonly used items-- Advance payments by state agencies--Costs of operating central stores) and 1998 c 105 s 7, 1975 c 40 s 8, 1973 c 104 s 2, & 1965 c 8 s 43.19.1925;

(4) RCW 43.19.590 (Motor vehicle transportation service--Transfer of employees--Retention of employment rights) and 1975 1st ex.s. c 167 s 8;

(5) RCW 43.19.595 (Motor vehicle transportation service-- Transfer of motor vehicles, property, etc., from motor pool to department) and 2009 c 549 s 5067 & 1975 1st ex.s. c 167 s 9;

(6) RCW 43.19.615 (Motor vehicle transportation service-- Deposits-- Disbursements) and 2005 c 214 s 2, 1998 c 105 s 13, & 1975 1st ex.s. c 167 s 13;

(7) RCW 43.19.675 (Energy audits of state-owned facilities required--Completion dates) and 2001 c 214 s 26, 1982 c 48 s 2, & 1980 c 172 s 4;

(8) RCW 43.19.680 (Implementation of energy conservation and maintenance procedures after walk-through survey--Investment grade audit--Reports--Contracts with energy service companies, staffing) and 2001 c 214 s 27, 1996 c 186 s 506, 1986 c 325 s 2, 1983 c 313 s 1, 1982 c 48 s 3, & 1980 c 172 s 5; and

(9) 2010 c 271 s 301.

NEW SECTION. **Sec. 259.** RCW 43.19.123 is decodified.

PART III

POWERS AND DUTIES TRANSFERRED FROM THE PUBLIC PRINTER

Sec. 301. RCW 1.08.039 and 1955 c 235 s 8 are each amended to read as follows:

The committee may enter into contracts or otherwise arrange for the publication and/or distribution, provided for in RCW 1.08.038, with or without calling for bids, by the (~~public printer or by private printer~~) department of enterprise services, upon specifications formulated under the authority of RCW 1.08.037, and upon such basis as the committee deems to be most expeditious and economical. Any such contract may be upon such terms as the committee deems to be most advantageous to the state and to potential purchasers of such publications. The committee shall fix terms and prices for such publications.

Sec. 302. RCW 28A.300.040 and 2009 c 556 s 10 are each amended to read as follows:

In addition to any other powers and duties as provided by law, the powers and duties of the superintendent of public instruction shall be:

(1) To have supervision over all matters pertaining to the public schools of the state;

(2) To report to the governor and the legislature such information and data as may be required for the management and improvement of the schools;

(3) To prepare and have printed such forms, registers, courses of study, rules for the government of the common schools, and such other material and books as may be necessary for the discharge of the duties of teachers and officials charged with the administration of the laws relating to the common schools, and to distribute the same to educational service district superintendents;

(4) To travel, without neglecting his or her other official duties as superintendent of public instruction, for the purpose of attending educational meetings or conventions, of visiting schools, and of consulting educational service district superintendents or other school officials;

(5) To prepare and from time to time to revise a manual of the Washington state common school code, copies of which shall be made available online and which shall be sold at approximate actual cost of publication and distribution per volume to public and nonpublic agencies or individuals, said manual to contain Titles 28A and 28C RCW, rules related to the common schools, and such other matter as the state superintendent or the state board of education shall determine(~~Proceeds of the sale of such code shall be transmitted to the public printer who shall credit the state superintendent's account within the state printing plant revolving fund by a like amount~~);

(6) To file all papers, reports and public documents transmitted to the superintendent by the school officials of the several counties or districts of the state, each year separately. Copies of all papers filed in the superintendent's office, and the superintendent's official acts, may, or upon request, shall be certified by the superintendent and attested

by the superintendent's official seal, and when so certified shall be evidence of the papers or acts so certified to;

(7) To require annually, on or before the 15th day of August, of the president, manager, or principal of every educational institution in this state, a report as required by the superintendent of public instruction; and it is the duty of every president, manager, or principal, to complete and return such forms within such time as the superintendent of public instruction shall direct;

(8) To keep in the superintendent's office a record of all teachers receiving certificates to teach in the common schools of this state;

(9) To issue certificates as provided by law;

(10) To keep in the superintendent's office at the capital of the state, all books and papers pertaining to the business of the superintendent's office, and to keep and preserve in the superintendent's office a complete record of statistics, as well as a record of the meetings of the state board of education;

(11) With the assistance of the office of the attorney general, to decide all points of law which may be submitted to the superintendent in writing by any educational service district superintendent, or that may be submitted to the superintendent by any other person, upon appeal from the decision of any educational service district superintendent; and the superintendent shall publish his or her rulings and decisions from time to time for the information of school officials and teachers; and the superintendent's decision shall be final unless set aside by a court of competent jurisdiction;

(12) To administer oaths and affirmations in the discharge of the superintendent's official duties;

(13) To deliver to his or her successor, at the expiration of the superintendent's term of office, all records, books, maps, documents and papers of whatever kind belonging to the superintendent's office or which may have been received by the superintendent's for the use of the superintendent's office;

(14) To administer family services and programs to promote the state's policy as provided in RCW 74.14A.025;

(15) To promote the adoption of school-based curricula and policies that provide quality, daily physical education for all students, and to encourage policies that provide all students with opportunities for physical activity outside of formal physical education classes;

(16) To perform such other duties as may be required by law.

Sec. 303. RCW 28B.10.029 and 2010 c 61 s 1 are each amended to read as follows:

(1)(a) An institution of higher education may exercise independently those powers otherwise granted to the director of (~~general administration~~) enterprise services in chapter 43.19 RCW in connection with the purchase and disposition of all material, supplies, services, and equipment needed for the support, maintenance, and use of the respective institution of higher education.

(b) Property disposition policies followed by institutions of higher education shall be consistent with policies followed by the department of (~~general administration~~) enterprise services.

(c) Purchasing policies and procedures followed by institutions of higher education shall be in compliance with chapters 39.19, 39.29, and 43.03 RCW, and RCW 43.19.1901, 43.19.1906, 43.19.1911, 43.19.1917, 43.19.1937, 43.19.534, 43.19.685, 43.19.700 through 43.19.704, and 43.19.560 through 43.19.637.

(d) Purchases under chapter 39.29, 43.19, or 43.105 RCW by institutions of higher education may be made by using contracts for materials, supplies, services, or equipment negotiated or entered into by, for, or through group purchasing organizations.

(e) The community and technical colleges shall comply with RCW 43.19.450.

(f) Except for the University of Washington, institutions of higher education shall comply with RCW 43.41.310, 43.41.290, and 43.41.350 (as recodified by this act).

(g) If an institution of higher education can satisfactorily demonstrate to the director of the office of financial management that

the cost of compliance is greater than the value of benefits from any of the following statutes, then it shall be exempt from them: RCW 43.19.685, 43.19.534, and 43.19.637.

(h) Any institution of higher education that chooses to exercise independent purchasing authority for a commodity or group of commodities shall notify the director of ~~((general administration))~~ enterprise services. Thereafter the director of ~~((general administration))~~ enterprise services shall not be required to provide those services for that institution for the duration of the ~~((general administration))~~ enterprise services contract term for that commodity or group of commodities.

(2) The council of presidents and the state board for community and technical colleges shall convene its correctional industries business development advisory committee, and work collaboratively with correctional industries, to:

(a) Reaffirm purchasing criteria and ensure that quality, service, and timely delivery result in the best value for expenditure of state dollars;

(b) Update the approved list of correctional industries products from which higher education shall purchase; and

(c) Develop recommendations on ways to continue to build correctional industries' business with institutions of higher education.

(3) Higher education and correctional industries shall develop a plan to build higher education business with correctional industries to increase higher education purchases of correctional industries products, based upon the criteria established in subsection (2) of this section. The plan shall include the correctional industries' production and sales goals for higher education and an approved list of products from which higher education institutions shall purchase, based on the criteria established in subsection (2) of this section. Higher education and correctional industries shall report to the legislature regarding the plan and its implementation no later than January 30, 2005.

(4) Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2006, to purchase one percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections. Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2008, to purchase two percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections.

((5) An institution of higher education may exercise independently those powers otherwise granted to the public printer in chapter 43.78 RCW in connection with the production or purchase of any printing and binding needed by the respective institution of higher education. Purchasing policies and procedures followed by institutions of higher education shall be in compliance with chapter 39.19 RCW. Any institution of higher education that chooses to exercise independent printing production or purchasing authority shall notify the public printer. Thereafter the public printer shall not be required to provide those services for that institution.))

Sec. 304. RCW 40.06.030 and 2006 c 199 s 5 are each amended to read as follows:

(1) Every state agency shall promptly submit to the state library copies of published information that are state publications.

(a) For state publications available only in print format, each state agency shall deposit, at a minimum, two copies of each of its publications with the state library. For the purposes of broad public access, state agencies may deposit additional copies with the state library for distribution to additional depository libraries.

(b) For state publications available only in electronic format, each state agency shall deposit one copy of each of its publications with the state library.

(c) For state publications available in both print and electronic format, each state agency shall deposit two print copies and one electronic copy of the publication with the state library.

(2) Annually, each state agency shall provide the state library with a listing of all its publications made available to state government and the public during the preceding year, including those published in electronic form. The secretary of state shall, by rule, establish the annual date by which state agencies must provide the list of its publications to the state library.

(3) In the interest of economy and efficiency, the state librarian may specifically or by general rule exempt a given state publication or class of publications from the requirements of this section in full or in part.

((4) Upon consent of the issuing state agency, such state publications as are printed by the public printer shall be delivered directly to the center.))

Sec. 305. RCW 43.08.061 and 1993 c 38 s 1 are each amended to read as follows:

The ~~((public printer shall print))~~ department of enterprise services is responsible for the printing of all state treasury warrants for distribution as directed by the state treasurer. All warrants redeemed by the state treasurer shall be retained for a period of one year, following their redemption, after which they may be destroyed without regard to the requirements imposed for their destruction by chapter 40.14 RCW.

NEW SECTION. Sec. 306. The following acts or parts of acts are each repealed:

(1) RCW 43.78.010 (Appointment of public printer) and 2009 c 549 s 5146, 1981 c 338 s 6, & 1965 c 8 s 43.78.010;

(2) RCW 43.78.020 (Bond) and 2009 c 549 s 5147 & 1965 c 8 s 43.78.020;

(3) RCW 43.78.030 (Duties--Exceptions) and 2010 1st sp.s. c 37 s 927, 1994 c 82 s 1, 1993 c 379 s 104, 1988 c 102 s 1, 1987 c 72 s 1, 1982 c 164 s 2, 1971 c 81 s 114, & 1965 c 8 s 43.78.030;

(4) RCW 43.78.040 (Requisitions) and 1965 c 8 s 43.78.040;

(5) RCW 43.78.050 (Itemized statement of charges) and 1965 c 8 s 43.78.050;

(6) RCW 43.78.070 (Use of state plant--Conditions--Public printer's salary) and 2009 c 549 s 5148, 1979 c 151 s 134, & 1965 c 8 s 43.78.070;

(7) RCW 43.78.080 (Printing specifications) and 1972 ex.s. c 1 s 1, 1969 c 6 s 7, & 1965 c 8 s 43.78.080;

(8) RCW 43.78.090 (Reprinting) and 1965 c 8 s 43.78.090;

(9) RCW 43.78.100 (Stock to be furnished) and 1993 c 379 s 106 & 1965 c 8 s 43.78.100;

(10) RCW 43.78.105 (Printing for institutions of higher education-- Interlocal agreements) and 1993 c 379 s 105;

(11) RCW 43.78.110 (Securing printing from private sources-- Definitions) and 2009 c 486 s 12, 1993 c 379 s 107, 1982 c 164 s 3, 1969 c 79 s 1, & 1965 c 8 s 43.78.110;

(12) RCW 43.78.170 (Recycled copy and printing paper requirement) and 2009 c 356 s 5, 1996 c 198 s 3, & 1991 c 297 s 10;

(13) RCW 15.24.085 (Promotional printing not restricted by public printer laws) and 2002 c 313 s 121 & 1961 c 11 s 15.24.085;

(14) RCW 15.62.190 (Promotional printing and literature-- Exempt from public printing requirements) and 1989 c 5 s 19;

(15) RCW 16.67.170 (Promotional printing not restricted by public printer laws) and 1969 c 133 s 16;

(16) RCW 40.04.030 (Session laws, legislative journals, supreme court and court of appeals reports--Duties of public printer, publisher) and 1995 c 24 s 1, 1971 c 42 s 2, & 1941 c 150 s 3; and

(17) RCW 40.07.050 (Prohibition of state publications not in accordance with RCW 40.07.030--Exceptions) and 1986 c 158 s 5 & 1977 ex.s. c 232 s 5.

NEW SECTION. Sec. 307. A new section is added to chapter 43.19 RCW to read as follows:

(1) The public printing revolving account is created in the custody of the state treasurer. All receipts from public printing must be deposited in the account. Expenditures from the account may be used only for administrative and operating purposes related to public printing. 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) On the effective date of this section, the state treasurer shall transfer any residual funds remaining in the state printing plant revolving fund to the public printing revolving account established in this section.

NEW SECTION. Sec. 308. A new section is added to chapter 43.19 RCW to read as follows:

(1) The department shall broker print management contracts for state agencies that are required to utilize print management contracts under this section.

(2) The department is authorized to broker print management contracts for other state agencies that choose to utilize these services.

(3) Except as provided under subsection (6) of this section, all state agencies with total annual average full-time equivalent staff that exceeds one thousand as determined by the office of financial management shall utilize print management services brokered by the department, as follows:

(a) Any agency with a copier and multifunctional device contract that is set to expire on or before December 31, 2011, may opt to:

- (i) Renew the copier and multifunctional device contract; or
- (ii) Enter a print management contract;

(b) Any agency with a copier and multifunctional device contract that is set to expire on or after January 1, 2012, shall begin planning for the transition to a print management contract six months prior to the expiration date of the contract. Upon expiration of the copier and multifunctional device contract, the agency shall utilize a print management contract; and

(c) Any agency with a copier and multifunctional device contract that is terminated on or after January 1, 2012, shall enter a print management contract.

(4) Until December 31, 2016, for each agency transitioning from a copier and multifunctional device contract to a print management contract, the print management contract should result in savings in comparison with the prior copier and multifunctional device contract.

(5) If an agency has more full-time equivalent employees than it had when it entered its most recently completed print management contract, the cost of a new print management contract may exceed the cost of the most recently completed print management contract.

(6) The director of financial management may exempt a state agency, or a program within a state agency, from the requirements of this section if the director deems it unfeasible or the department and agency could not reasonably reach an agreement regarding print management.

NEW SECTION. Sec. 309. A new section is added to chapter 43.19 RCW to read as follows:

(1) State agencies, boards, commissions, and institutions of higher education requiring the services of a print shop may use public printing services provided by the department. If a print job is put out for bid, the department must be included in the bid solicitation. All solicitations must be posted on the state's common vendor registration and bid notification system and results provided to the department. All bid specifications must encourage the use of recycled paper and biodegradable ink must be used if feasible for the print job.

(2)(a) Except as provided in (b) of this subsection, the department shall print all agency materials that contain sensitive or personally identifiable information not publicly available.

(b) If it is more economically feasible to contract with a private vendor for the printing of agency materials that contain sensitive or personally identifiable information, the department shall require the

vendor to enter into a confidentiality agreement with the department to protect the information that is provided as part of the print job.

NEW SECTION. Sec. 310. A new section is added to chapter 43.09 RCW to read as follows:

By November 1, 2016, building on the findings of the 2011 audit, the state auditor shall conduct a comprehensive performance audit of state printing services in accordance with RCW 43.09.470. Following the audit in 2016, the state auditor shall conduct follow-up audits as deemed necessary to ensure effective implementation of this act.

NEW SECTION. Sec. 311. A new section is added to chapter 43.19 RCW to read as follows:

For every printing job and binding job ordered by a state agency, the agency shall consult with the department on how to choose more economic and efficient options to reduce costs.

NEW SECTION. Sec. 312. A new section is added to chapter 43.19 RCW to read as follows:

To improve the efficiency and minimize the costs of agency-based printing, the department shall establish rules and guidelines for all agencies to use in managing their printing operations, including both agency-based printing and those jobs that require the services of a print shop, as based on the successes of implementation of existing print management programs in state agencies. At a minimum, the rules and guidelines must implement managed print strategies to track, manage, and reduce agency-based printing.

NEW SECTION. Sec. 313. A new section is added to chapter 43.19 RCW to read as follows:

The department must determine which agencies have print shops and prepare a recommendation, including proposed legislation by November 15, 2011, to transfer print shop personnel, equipment, and activities of state agencies and institutions of higher education, as defined in RCW 28B.10.016, to the department. A transfer under this section does not imply that any print shop operations will close at the affected agencies and institutions of higher education.

NEW SECTION. Sec. 314. A new section is added to chapter 43.19 RCW to read as follows:

(1) The department shall consult with the office of financial management and state agencies to more efficiently manage the use of envelopes by standardizing them to the extent feasible given the business needs of state agencies.

(2) All state agencies with total annual average full-time equivalent staff that exceeds five hundred as determined by the office of financial management shall cooperate with the department in efforts to standardize envelopes under subsection (1) of this section. In the event that an agency is updating a mailing, the agency shall transition to an envelope recommended by the department, unless the office of financial management considers the change unfeasible.

(3) State agencies with five hundred total annual average full-time equivalent staff or less, as determined by the office of financial management, are encouraged to cooperate with the office to standardize envelopes under this section.

NEW SECTION. Sec. 315. RCW 43.78.130, 43.78.140, 43.78.150, and 43.78.160 are each recodified as sections in chapter 43.19.

PART IV

POWERS AND DUTIES TRANSFERRED FROM THE DEPARTMENT OF PERSONNEL

Sec. 401. RCW 41.06.020 and 1993 c 281 s 19 are each amended to read as follows:

Unless the context clearly indicates otherwise, the words used in this chapter have the meaning given in this section.

(1) "Agency" means an office, department, board, commission, or other separate unit or division, however designated, of the state government and all personnel thereof; it includes any unit of state government established by law, the executive officer or members of which are either elected or appointed, upon which the statutes confer

powers and impose duties in connection with operations of either a governmental or proprietary nature.

(2) "Board" means the Washington personnel resources board established under the provisions of RCW 41.06.110, except that this definition does not apply to the words "board" or "boards" when used in RCW 41.06.070.

(3) "Classified service" means all positions in the state service subject to the provisions of this chapter.

(4) "Competitive service" means all positions in the classified service for which a competitive examination is required as a condition precedent to appointment.

(5) "Comparable worth" means the provision of similar salaries for positions that require or impose similar responsibilities, judgments, knowledge, skills, and working conditions.

(6) "Noncompetitive service" means all positions in the classified service for which a competitive examination is not required.

(7) "Department" means an agency of government that has as its governing officer a person, or combination of persons such as a commission, board, or council, by law empowered to operate the agency responsible either to (a) no other public officer or (b) the governor.

(8) "Career development" means the progressive development of employee capabilities to facilitate productivity, job satisfaction, and upward mobility through work assignments as well as education and training that are both state-sponsored and are achieved by individual employee efforts, all of which shall be consistent with the needs and obligations of the state and its agencies.

(9) "Training" means activities designed to develop job-related knowledge and skills of employees.

(10) "Director" means the human resources director (~~(of personnel appointed under the provisions of RCW 41.06.130)) within the office of financial management and appointed under section 430 of this act.~~

(11) "Affirmative action" means a procedure by which racial minorities, women, persons in the protected age category, persons with disabilities, Vietnam-era veterans, and disabled veterans are provided with increased employment opportunities. It shall not mean any sort of quota system.

(12) "Institutions of higher education" means the University of Washington, Washington State University, Central Washington University, Eastern Washington University, Western Washington University, The Evergreen State College, and the various state community colleges.

(13) "Related boards" means the state board for community and technical colleges; and such other boards, councils, and commissions related to higher education as may be established.

Sec. 402. RCW 41.06.076 and 1997 c 386 s 1 are each amended to read as follows:

In addition to the exemptions set forth in RCW 41.06.070, the provisions of this chapter shall not apply in the department of social and health services to the secretary; the secretary's executive assistant, if any; not to exceed six assistant secretaries, thirteen division directors, six regional directors; one confidential secretary for each of the above-named officers; not to exceed six bureau chiefs; (~~(all social worker V positions);~~) and all superintendents of institutions of which the average daily population equals or exceeds one hundred residents(~~(- PROVIDED, That each such confidential secretary must meet the minimum qualifications for the class of secretary II as determined by the Washington personnel resources board. This section expires June 30, 2005).~~

Sec. 403. RCW 41.06.080 and 1970 ex.s. c 12 s 2 are each amended to read as follows:

Notwithstanding the provisions of this chapter, the (~~department of personnel~~) office of financial management and the department of enterprise services may make (~~its~~) their human resource services available on request, on a reimbursable basis, to:

(1) Either the legislative or the judicial branch of the state government;

(2) Any county, city, town, or other municipal subdivision of the state;

(3) The institutions of higher learning;

(4) Any agency, class, or position set forth in RCW 41.06.070.

Sec. 404. RCW 41.06.093 and 1993 c 281 s 24 are each amended to read as follows:

In addition to the exemptions set forth in RCW 41.06.070, the provisions of this chapter shall not apply in the Washington state patrol to confidential secretaries of agency bureau chiefs, or their functional equivalent, and a confidential secretary for the chief of staff(~~(- PROVIDED, That each confidential secretary must meet the minimum qualifications for the class of secretary II as determined by the Washington personnel resources board).~~

Sec. 405. RCW 41.06.110 and 2002 c 354 s 210 are each amended to read as follows:

(1) There is hereby created a Washington personnel resources board composed of three members appointed by the governor, subject to confirmation by the senate. The members of the personnel board serving June 30, 1993, shall be the members of the Washington personnel resources board, and they shall complete their terms as under the personnel board. Each odd-numbered year thereafter the governor shall appoint a member for a six-year term. Each member shall continue to hold office after the expiration of the member's term until a successor has been appointed. Persons so appointed shall have clearly demonstrated an interest and belief in the merit principle, shall not hold any other employment with the state, shall not have been an officer of a political party for a period of one year immediately prior to such appointment, and shall not be or become a candidate for partisan elective public office during the term to which they are appointed;

(2) Each member of the board shall be compensated in accordance with RCW 43.03.250. The members of the board may receive any number of daily payments for official meetings of the board actually attended. Members of the board shall also be reimbursed for travel expenses incurred in the discharge of their official duties in accordance with RCW 43.03.050 and 43.03.060.

(3) At its first meeting following the appointment of all of its members, and annually thereafter, the board shall elect a chair and vice chair from among its members to serve one year. The presence of at least two members of the board shall constitute a quorum to transact business. A written public record shall be kept by the board of all actions of the board. The director (~~(of personnel)~~) shall serve as secretary.

(4) The board may appoint and compensate hearing officers to hear and conduct appeals. Such compensation shall be paid on a contractual basis for each hearing, in accordance with the provisions of chapter 43.88 RCW and rules adopted pursuant thereto, as they relate to personal service contracts.

Sec. 406. RCW 41.06.120 and 1981 c 311 s 17 are each amended to read as follows:

(1) In the necessary conduct of its work, the board shall meet monthly unless there is no pending business requiring board action and may hold hearings, such hearings to be called by (a) the chairman of the board, or (b) a majority of the members of the board. An official notice of the calling of the hearing shall be filed with the secretary, and all members shall be notified of the hearing within a reasonable period of time prior to its convening.

(2) No release of material or statement of findings shall be made except with the approval of a majority of the board;

(3) In the conduct of hearings or investigations, a member of the board or the director (~~(of personnel)~~), or the hearing officer, may administer oaths.

Sec. 407. RCW 41.06.133 and 2010 c 2 s 3 and 2010 c 1 s 2 are each reenacted and amended to read as follows:

(1) The director shall adopt rules, consistent with the purposes and provisions of this chapter and with the best standards of personnel administration, regarding the basis and procedures to be followed for:

(a) The reduction, dismissal, suspension, or demotion of an employee;

(b) Training and career development;

(c) Probationary periods of six to twelve months and rejections of probationary employees, depending on the job requirements of the class, except ~~(that)~~ as follows:

(i) Entry level state park rangers shall serve a probationary period of twelve months; and

(ii) The probationary period of campus police officer appointees who are required to attend the Washington state criminal justice training commission basic law enforcement academy shall extend from the date of appointment until twelve months from the date of successful completion of the basic law enforcement academy, or twelve months from the date of appointment if academy training is not required. The director shall adopt rules to ensure that employees promoting to campus police officer who are required to attend the Washington state criminal justice training commission basic law enforcement academy shall have the trial service period extend from the date of appointment until twelve months from the date of successful completion of the basic law enforcement academy, or twelve months from the date of appointment if academy training is not required;

(d) Transfers;

(e) Promotional preferences;

(f) Sick leaves and vacations;

(g) Hours of work;

(h) Layoffs when necessary and subsequent reemployment, except for the financial basis for layoffs;

(i) The number of names to be certified for vacancies;

(j) Adoption and revision of a state salary schedule to reflect the prevailing rates in Washington state private industries and other governmental units. The rates in the salary schedules or plans shall be increased if necessary to attain comparable worth under an implementation plan under RCW 41.06.155 and, for institutions of higher education and related boards, shall be competitive for positions of a similar nature in the state or the locality in which an institution of higher education or related board is located. Such adoption and revision is subject to approval by the director of financial management in accordance with chapter 43.88 RCW;

(k) Increment increases within the series of steps for each pay grade based on length of service for all employees whose standards of performance are such as to permit them to retain job status in the classified service. From February 18, 2009, through June 30, 2011, a salary or wage increase shall not be granted to any exempt position under this chapter, except that a salary or wage increase may be granted to employees pursuant to collective bargaining agreements negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW, or negotiated by the nonprofit corporation formed under chapter 67.40 RCW, and except that increases may be granted for positions for which the employer has demonstrated difficulty retaining qualified employees if the following conditions are met:

(i) The salary increase can be paid within existing resources; and

(ii) The salary increase will not adversely impact the provision of client services;

Any agency granting a salary increase from February 15, 2010, through June 30, 2011, to a position exempt under this chapter shall submit a report to the fiscal committees of the legislature no later than July 31, 2011, detailing the positions for which salary increases were granted, the size of the increases, and the reasons for giving the increases;

(l) Optional lump sum relocation compensation approved by the agency director, whenever it is reasonably necessary that a person make a domiciliary move in accepting a transfer or other employment

with the state. An agency must provide lump sum compensation within existing resources. If the person receiving the relocation payment terminates or causes termination with the state, for reasons other than layoff, disability separation, or other good cause as determined by an agency director, within one year of the date of the employment, the state is entitled to reimbursement of the lump sum compensation from the person;

(m) Providing for veteran's preference as required by existing statutes, with recognition of preference in regard to layoffs and subsequent reemployment for veterans and their surviving spouses by giving such eligible veterans and their surviving spouses additional credit in computing their seniority by adding to their unbroken state service, as defined by the director, the veteran's service in the military not to exceed five years. For the purposes of this section, "veteran" means any person who has one or more years of active military service in any branch of the armed forces of the United States or who has less than one year's service and is discharged with a disability incurred in the line of duty or is discharged at the convenience of the government and who, upon termination of such service, has received an honorable discharge, a discharge for physical reasons with an honorable record, or a release from active military service with evidence of service other than that for which an undesirable, bad conduct, or dishonorable discharge shall be given. However, the surviving spouse of a veteran is entitled to the benefits of this section regardless of the veteran's length of active military service. For the purposes of this section, "veteran" does not include any person who has voluntarily retired with twenty or more years of active military service and whose military retirement pay is in excess of five hundred dollars per month.

(2) Rules adopted under this section by the director shall provide for local administration and management by the institutions of higher education and related boards, subject to periodic audit and review by the director.

(3) Rules adopted by the director under this section may be superseded by the provisions of a collective bargaining agreement negotiated under RCW 41.80.001 and 41.80.010 through 41.80.130. The supersession of such rules shall only affect employees in the respective collective bargaining units.

(4)(a) The director shall require that each state agency report annually the following data:

(i) The number of classified, Washington management service, and exempt employees in the agency and the change compared to the previous report;

(ii) The number of bonuses and performance-based incentives awarded to agency staff and the base wages of such employees; and

(iii) The cost of each bonus or incentive awarded.

(b) A report that compiles the data in (a) of this subsection for all agencies will be provided annually to the governor and the appropriate committees of the legislature and must be posted for the public on the ~~((department of personnel's))~~ office of financial management's agency web site.

(5) From February 15, 2010, until June 30, 2011, no monetary performance-based awards or incentives may be granted by the director or employers to employees covered by rules adopted under this section. This subsection does not prohibit the payment of awards provided for in chapter 41.60 RCW.

Sec. 408. RCW 41.06.142 and 2008 c 267 s 9 are each amended to read as follows:

(1) Any department, agency, or institution of higher education may purchase services, including services that have been customarily and historically provided by employees in the classified service under this chapter, by contracting with individuals, nonprofit organizations, businesses, employee business units, or other entities if the following criteria are met:

(a) The invitation for bid or request for proposal contains measurable standards for the performance of the contract;

(b) Employees in the classified service whose positions or work could be displaced by the contract are provided an opportunity to offer alternatives to purchasing services by contract and, if these alternatives are not accepted, compete for the contract under competitive contracting procedures in subsection (4) of this section;

(c) The contract with an entity other than an employee business unit includes a provision requiring the entity to consider employment of state employees who may be displaced by the contract;

(d) The department, agency, or institution of higher education has established a contract monitoring process to measure contract performance, costs, service delivery quality, and other contract standards, and to cancel contracts that do not meet those standards; and

(e) The department, agency, or institution of higher education has determined that the contract results in savings or efficiency improvements. The contracting agency must consider the consequences and potential mitigation of improper or failed performance by the contractor.

(2) Any provision contrary to or in conflict with this section in any collective bargaining agreement in effect on July 1, 2005, is not effective beyond the expiration date of the agreement.

(3) Contracting for services that is expressly mandated by the legislature or was authorized by law prior to July 1, 2005, including contracts and agreements between public entities, shall not be subject to the processes set forth in subsections (1), (4), and (5) of this section.

(4) Competitive contracting shall be implemented as follows:

(a) At least ninety days prior to the date the contracting agency requests bids from private entities for a contract for services provided by classified employees, the contracting agency shall notify the classified employees whose positions or work would be displaced by the contract. The employees shall have sixty days from the date of notification to offer alternatives to purchasing services by contract, and the agency shall consider the alternatives before requesting bids.

(b) If the employees decide to compete for the contract, they shall notify the contracting agency of their decision. Employees must form one or more employee business units for the purpose of submitting a bid or bids to perform the services.

(c) The ~~((director of personnel))~~ department of enterprise services, with the advice and assistance of the ~~((department of general administration))~~ office of financial management, shall develop and make available to employee business units training in the bidding process and general bid preparation.

(d) The director of ~~((general administration))~~ enterprise services, with the advice and assistance of the ~~((department of personnel))~~ office of financial management, shall, by rule, establish procedures to ensure that bids are submitted and evaluated in a fair and objective manner and that there exists a competitive market for the service. Such rules shall include, but not be limited to: (i) Prohibitions against participation in the bid evaluation process by employees who prepared the business unit's bid or who perform any of the services to be contracted; (ii) provisions to ensure no bidder receives an advantage over other bidders and that bid requirements are applied equitably to all parties; and (iii) procedures that require the contracting agency to receive complaints regarding the bidding process and to consider them before awarding the contract. Appeal of an agency's actions under this subsection is an adjudicative proceeding and subject to the applicable provisions of chapter 34.05 RCW, the administrative procedure act, with the final decision to be rendered by an administrative law judge assigned under chapter 34.12 RCW.

(e) An employee business unit's bid must include the fully allocated costs of the service, including the cost of the employees' salaries and benefits, space, equipment, materials, and other costs necessary to perform the function. An employee business unit's cost shall not include the state's indirect overhead costs unless those costs

can be attributed directly to the function in question and would not exist if that function were not performed in state service.

(f) A department, agency, or institution of higher education may contract with the department of ~~((general administration))~~ enterprise services to conduct the bidding process.

(5) As used in this section:

(a) "Employee business unit" means a group of employees who perform services to be contracted under this section and who submit a bid for the performance of those services under subsection (4) of this section.

(b) "Indirect overhead costs" means the pro rata share of existing agency administrative salaries and benefits, and rent, equipment costs, utilities, and materials associated with those administrative functions.

(c) "Competitive contracting" means the process by which classified employees of a department, agency, or institution of higher education compete with businesses, individuals, nonprofit organizations, or other entities for contracts authorized by subsection (1) of this section.

(6) The ~~((requirements))~~ processes set forth in subsections (1), (4), and (5) of this section do not apply to:

(a) RCW 74.13.031(5);

(b) The acquisition of printing services by a state agency; and

(c) Contracting for services or activities by the department of enterprise services under section 104 of this act and the department may continue to contract for such services and activities after June 30, 2018.

(7) The processes set forth in subsections (1), (4), and (5) of this section do not apply to the consolidated technology services agency when contracting for services or activities as follows:

(a) Contracting for services and activities that are necessary to establish, operate, or manage the state data center, including architecture, design, engineering, installation, and operation of the facility that are approved by the technology services board created in section 715 of this act.

(b) Contracting for services and activities recommended by the chief information officer through a business plan and approved by the technology services board created in section 715 of this act.

Sec. 409. RCW 41.06.150 and 2002 c 371 s 906, 2002 c 354 s 203, 2002 c 354 s 202, and 2002 c 110 s 1 are each reenacted and amended to read as follows:

The director shall adopt rules, consistent with the purposes and provisions of this chapter and with the best standards of personnel administration, regarding the basis and procedures to be followed for:

(1) Certification of names for vacancies;

(2) Examinations for all positions in the competitive and noncompetitive service;

(3) Appointments;

(4) ((Adoption and revision of a comprehensive classification plan, in accordance with rules adopted by the board under RCW 41.06.136, for all positions in the classified service, based on investigation and analysis of the duties and responsibilities of each such position and allocation and reallocation of positions within the classification plan.

(a) The director shall not adopt job classification revisions or class studies unless implementation of the proposed revision or study will result in net cost savings, increased efficiencies, or improved management of personnel or services, and the proposed revision or study has been approved by the director of financial management in accordance with chapter 43.88 RCW.

(b) Reclassifications, class studies, and salary adjustments are governed by (a) of this subsection and RCW 41.06.152;

(5)) Permitting agency heads to delegate the authority to appoint, reduce, dismiss, suspend, or demote employees within their agencies if such agency heads do not have specific statutory authority to so delegate: PROVIDED, That the director may not authorize such

delegation to any position lower than the head of a major subdivision of the agency;

~~((6))~~ (5) Assuring persons who are or have been employed in classified positions before July 1, 1993, will be eligible for employment, reemployment, transfer, and promotion in respect to classified positions covered by this chapter;

~~((7))~~ (6) Affirmative action in appointment, promotion, transfer, recruitment, training, and career development; development and implementation of affirmative action goals and timetables; and monitoring of progress against those goals and timetables.

The director shall consult with the human rights commission in the development of rules pertaining to affirmative action. ((The department of personnel shall transmit a report annually to the human rights commission which states the progress each state agency has made in meeting affirmative action goals and timetables.))

Rules adopted under this section by the director shall provide for local administration and management by the institutions of higher education and related boards, subject to periodic audit and review by the director.

Sec. 410. RCW 41.06.152 and 2007 c 489 s 1 are each amended to read as follows:

(1) The director shall adopt only those job classification revisions, class studies, and salary adjustments under ~~((RCW 41.06.150(4)))~~ section 411 of this act that:

(a) As defined by the director, are due to documented recruitment or retention difficulties, salary compression or inversion, classification plan maintenance, higher level duties and responsibilities, or inequities; and

(b) Are such that the office of financial management has reviewed the affected agency's fiscal impact statement and has concurred that the affected agency can absorb the biennialized cost of the reclassification, class study, or salary adjustment within the agency's current authorized level of funding for the current fiscal biennium and subsequent fiscal biennia.

(2) This section does not apply to the higher education hospital special pay plan or to any adjustments to the classification plan under ~~((RCW 41.06.150(4)))~~ section 411 of this act that are due to emergent conditions. Emergent conditions are defined as emergency conditions requiring the establishment of positions necessary for the preservation of the public health, safety, or general welfare.

NEW SECTION. Sec. 411. A new section is added to chapter 41.06 RCW to read as follows:

(1) To promote the most effective use of the state's workforce and improve the effectiveness and efficiency of the delivery of services to the citizens of the state, the director shall adopt and maintain a comprehensive classification plan for all positions in the classified service. The classification plan must:

(a) Be simple and streamlined;

(b) Support state agencies in responding to changing technologies, economic and social conditions, and the needs of its citizens;

(c) Value workplace diversity;

(d) Facilitate the reorganization and decentralization of governmental services;

(e) Enhance mobility and career advancement opportunities; and

(f) Consider rates in other public employment and private employment in the state.

(2) An appointing authority and an employee organization representing classified employees of the appointing authority for collective bargaining purposes may jointly request the human resources director to initiate a classification study.

(3) For institutions of higher education and related boards, the director may adopt special salary ranges to be competitive with positions of a similar nature in the state or the locality in which the institution of higher education or related board is located.

(4) The director may undertake salary surveys of positions in other public and private employment to establish market rates. Any salary survey information collected from private employers which identifies a specific employer with salary rates which the employer pays to its employees shall not be subject to public disclosure under chapter 42.56 RCW.

NEW SECTION. Sec. 412. A new section is added to chapter 41.06 RCW to read as follows:

The director of financial management shall adopt and maintain a state salary schedule. Such adoption and revision is subject to approval by the director in accordance with chapter 43.88 RCW.

Sec. 413. RCW 41.06.167 and 2005 c 274 s 279 are each amended to read as follows:

The ~~((department of personnel))~~ human resources director shall undertake comprehensive compensation surveys for officers and entry-level officer candidates of the Washington state patrol, with such surveys to be conducted in the year prior to the convening of every other one hundred five day regular session of the state legislature. Salary and fringe benefit survey information collected from private employers which identifies a specific employer with the salary and fringe benefit rates which that employer pays to its employees shall not be subject to public disclosure under chapter 42.56 RCW.

Sec. 414. RCW 41.06.169 and 1985 c 461 s 3 are each amended to read as follows:

After consultation with state agency heads, employee organizations, and other interested parties, the ~~((state personnel))~~ director shall develop standardized employee performance evaluation procedures and forms which shall be used by state agencies for the appraisal of employee job performance at least annually. These procedures shall include means whereby individual agencies may supplement the standardized evaluation process with special performance factors peculiar to specific organizational needs. Performance evaluation procedures shall place primary emphasis on recording how well the employee has contributed to efficiency, effectiveness, and economy in fulfilling state agency and job objectives.

Sec. 415. RCW 41.06.170 and 2009 c 534 s 3 are each amended to read as follows:

(1) The director, in the adoption of rules governing suspensions for cause, shall not authorize an appointing authority to suspend an employee for more than fifteen calendar days as a single penalty or more than thirty calendar days in any one calendar year as an accumulation of several penalties. The director shall require that the appointing authority give written notice to the employee not later than one day after the suspension takes effect, stating the reasons for and the duration thereof.

(2) Any employee who is reduced, dismissed, suspended, or demoted, after completing his or her probationary period of service as provided by the rules of the director, or any employee who is adversely affected by a violation of the state civil service law, chapter 41.06 RCW, or rules adopted under it, shall have the right to appeal, either individually or through his or her authorized representative, not later than thirty days after the effective date of such action ~~((to the personnel appeals board through June 30, 2005, and))~~ to the Washington personnel resources board ~~((after June 30, 2005))~~. The employee shall be furnished with specified charges in writing when a reduction, dismissal, suspension, or demotion action is taken. Such appeal shall be in writing. Decisions of the Washington personnel resources board on appeals filed after June 30, 2005, shall be final and not subject to further appeal.

(3) Any employee whose position has been exempted after July 1, 1993, shall have the right to appeal, either individually or through his or her authorized representative, not later than thirty days after the effective date of such action to the ~~((personnel appeals board through June 30, 2005, and to the))~~ Washington personnel resources board

((after June 30, 2005)). If the position being exempted is vacant, the exclusive bargaining unit representative may act in lieu of an employee for the purposes of appeal.

(4) An employee incumbent in a position at the time of its allocation or reallocation, or the agency utilizing the position, may appeal the allocation or reallocation to the ~~((personnel appeals board through December 31, 2005, and to the))~~ Washington personnel resources board ~~((after December 31, 2005))~~. Notice of such appeal must be filed in writing within thirty days of the action from which appeal is taken.

(5) Subsections (1) and (2) of this section do not apply to any employee who is subject to the provisions of a collective bargaining agreement negotiated under RCW 41.80.001 and 41.80.010 through 41.80.130.

Sec. 416. RCW 41.06.220 and 1961 c 1 s 22 are each amended to read as follows:

((1) An employee who is terminated from state service may request the board to place his name on an appropriate reemployment list and the board shall grant this request where the circumstances are found to warrant reemployment.

(2)) Any employee, when fully reinstated after appeal, shall be guaranteed all employee rights and benefits, including back pay, sick leave, vacation accrual, retirement and OASDI credits.

Sec. 417. RCW 41.06.260 and 1961 c 1 s 26 are each amended to read as follows:

If any part of this chapter shall be found to be in conflict with federal requirements which are a condition precedent to the allocation of federal funds to the state, such conflicting part of this chapter is hereby declared to be inoperative solely to the extent of such conflict and with respect to the agencies directly affected, and such findings or determination shall not affect the operation of the remainder of this chapter in its application to the agencies concerned. The ~~((board))~~ office of financial management and the department of enterprise services, as appropriate, shall make such rules and regulations as may be necessary to meet federal requirements which are a condition precedent to the receipt of federal funds by the state.

Sec. 418. RCW 41.06.270 and 2002 c 354 s 217 are each amended to read as follows:

A disbursing officer shall not pay any employee holding a position covered by this chapter unless the employment is in accordance with this chapter or the rules, regulations and orders issued hereunder. The directors of ~~((personnel))~~ enterprise services and financial management shall jointly establish procedures for the certification of payrolls.

Sec. 419. RCW 41.06.280 and 1993 c 379 s 309 are each amended to read as follows:

There is hereby created a fund within the state treasury, designated as the "~~((department of))~~ personnel service fund," to be used by the ~~((board))~~ office of financial management and the department of enterprise services as a revolving fund for the payment of salaries, wages, and operations required for the administration of the provisions of this chapter, applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An amount not to exceed one and one-half percent of the ~~((approved allotments of))~~ salaries and wages for all positions in the classified service in each of the agencies subject to this chapter, except the institutions of higher education, shall be charged to the operations appropriations of each agency and credited to the ~~((department of))~~ personnel service fund as the allotments are approved pursuant to chapter 43.88 RCW. Subject to the above limitations, the amount shall be charged against the allotments pro rata, at a rate to be fixed by the director from time to time which, together with income derived from services rendered under RCW 41.06.080, will provide the ~~((department))~~ office of financial management and the department of enterprise services with funds to meet its anticipated expenditures during the allotment period, including the training requirements in RCW 41.06.500-41.06.530.

The director ~~((of personnel))~~ shall fix the terms and charges for services rendered by the department of ~~((personnel))~~ enterprise services and the office of financial management pursuant to RCW 41.06.080, which amounts shall be credited to the ~~((department of))~~ personnel service fund and charged against the proper fund or appropriation of the recipient of such services on a ~~((quarterly))~~ monthly basis. Payment for services so rendered under RCW 41.06.080 shall be made on a ~~((quarterly))~~ monthly basis to the state treasurer and deposited ~~((by him))~~ in the ~~((department of))~~ personnel service fund.

Moneys from the ~~((department of))~~ personnel service fund shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the ~~((board))~~ office of financial management and the department of enterprise services.

Sec. 420. RCW 41.06.285 and 1998 c 245 s 41 are each amended to read as follows:

(1) There is hereby created a fund within the state treasury, designated as the "higher education personnel service fund," to be used by the ~~((board))~~ office of financial management as a revolving fund for the payment of salaries, wages, and operations required for the administration of ~~((institutions of higher education and related boards, the budget for which shall be subject to review and approval and appropriation by the legislature))~~ the provisions of chapter 41.06 RCW and applicable provisions of chapters 41.04 and 41.60 RCW. Subject to the requirements of subsection (2) of this section, an amount not to exceed one-half of one percent of the salaries and wages for all positions in the classified service shall be contributed from the operations appropriations of each institution and the state board for community and technical colleges and credited to the higher education personnel service fund as such allotments are approved pursuant to chapter 43.88 RCW. Subject to the above limitations, such amount shall be charged against the allotments pro rata, at a rate to be fixed by the director of financial management from time to time, which will provide the ~~((board))~~ office of financial management with funds to meet its anticipated expenditures during the allotment period.

(2) If employees of institutions of higher education cease to be classified under this chapter pursuant to an agreement authorized by RCW 41.56.201, each institution of higher education and the state board for community and technical colleges shall continue, for six months after the effective date of the agreement, to make contributions to the higher education personnel service fund based on employee salaries and wages that includes the employees under the agreement. At the expiration of the six-month period, the director of financial management shall make across-the-board reductions in allotments of the higher education personnel service fund for the remainder of the biennium so that the charge to the institutions of higher education and state board for community and technical colleges based on the salaries and wages of the remaining employees of institutions of higher education and related boards classified under this chapter does not increase during the biennium, unless an increase is authorized by the legislature.

(3) Moneys from the higher education personnel service fund shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the ~~((board))~~ office of financial management.

Sec. 421. RCW 41.06.350 and 2002 c 354 s 218 are each amended to read as follows:

The director is authorized to receive federal funds now available or hereafter made available for the assistance and improvement of public personnel administration, which may be expended in addition to the ~~((department of))~~ personnel service fund established by RCW 41.06.280.

Sec. 422. RCW 41.06.395 and 2007 c 76 s 1 are each amended to read as follows:

The director shall adopt rules establishing guidelines for policies, procedures, and mandatory training programs on sexual harassment for state employees to be adopted by state agencies ~~((and~~

~~establishing)). The department of enterprise services shall establish reporting requirements for state agencies on compliance with RCW 43.01.135.~~

Sec. 423. RCW 41.06.400 and 2002 c 354 s 219 are each amended to read as follows:

(1) In addition to other powers and duties specified in this chapter, the ~~((director))~~ department of enterprise services in consultation with the office of financial management shall~~((;))~~:

~~(a) By rule, prescribe the purpose and minimum standards for training and career development programs and, in so doing, regularly consult with and consider the needs of individual agencies and employees((~~

~~(2) In addition to other powers and duties specified in this chapter, the director shall:~~

~~(a) Provide for the evaluation of training and career development programs and plans of agencies. The director shall report the results of such evaluations to the agency which is the subject of the evaluation;))~~

(b) Provide training and career development programs which may be conducted more efficiently and economically on an interagency basis;

(c) Promote interagency sharing of resources for training and career development;

(d) Monitor and review the impact of training and career development programs to ensure that the responsibilities of the state to provide equal employment opportunities are diligently carried out.

~~((3))~~ (2) At an agency's request, the ~~((director))~~ department of enterprise services may provide training and career development programs for an agency's internal use which may be conducted more efficiently and economically by the department of ~~((personnel))~~ enterprise services.

Sec. 424. RCW 41.06.410 and 2002 c 354 s 220 are each amended to read as follows:

Each agency subject to the provisions of this chapter shall:

(1) Prepare an employee training and career development plan which shall at least meet minimum standards established by the ~~((director. A copy of such plan shall be submitted to the director for purposes of administering the provisions of RCW 41.06.400(2)))~~ department of enterprise services;

(2) Provide for training and career development for its employees in accordance with the agency plan;

(3) ~~((Report on its training and career development program operations and costs to the director in accordance with reporting procedures adopted by the director;~~

~~(4))~~ Budget for training and career development in accordance with procedures of the office of financial management.

Sec. 425. RCW 41.06.420 and 1980 c 118 s 6 are each amended to read as follows:

(1) The ~~((board))~~ office of financial management, by rule, shall prescribe the conditions under which an employee appointed to a supervisory or management position after June 12, 1980, shall be required to successfully complete an entry-level management training course as approved by the director. Such training shall not be required of any employee who has completed a management training course prior to the employee's appointment which is, in the judgment of the director, at least equivalent to the entry-level course required by this section.

(2) The ~~((board))~~ office of financial management, by rule, shall establish procedures for the suspension of the entry-level training requirement in cases where the ability of an agency to perform its responsibilities is adversely affected, or for the waiver of this requirement in cases where a person has demonstrated experience as a substitute for training.

(3) Agencies subject to the provisions of this chapter, in accordance with rules prescribed by the ~~((board))~~ office of financial management, shall designate individual positions, or groups of

positions, as being "supervisory" or "management" positions. Such designations shall be subject to review by the director ~~((as part of the director's evaluation of training and career development programs prescribed by RCW 41.06.400(2)))~~.

Sec. 426. RCW 41.06.476 and 2001 c 296 s 6 are each amended to read as follows:

(1) The ~~((board))~~ office of financial management shall amend any existing rules established under RCW 41.06.475 and adopt rules developed in cooperation and agreement with the department of social and health services to implement the provisions of chapter 296, Laws of 2001.

(2) The legislature's delegation of authority to the agency under chapter 296, Laws of 2001 is strictly limited to:

(a) The minimum delegation necessary to administer the clear and unambiguous directives of chapter 296, Laws of 2001; and

(b) The administration of circumstances and behaviors foreseeable at the time of enactment.

Sec. 427. RCW 41.06.490 and 2002 c 354 s 223 are each amended to read as follows:

~~((4))~~ In addition to the rules adopted under RCW 41.06.150, the director shall adopt rules establishing a state employee return-to-work program. The program shall, at a minimum:

~~((a))~~ (1) Direct each agency to adopt a return-to-work policy. The program shall allow each agency program to take into consideration the special nature of employment in the agency;

~~((b))~~ (2) Provide for eligibility in the return-to-work program, for a minimum of two years from the date the temporary disability commenced, for any permanent employee who is receiving compensation under RCW 51.32.090 and who is, by reason of his or her temporary disability, unable to return to his or her previous work, but who is physically capable of carrying out work of a lighter or modified nature;

~~((c))~~ Allow opportunity for return-to-work statewide when appropriate job classifications are not available in the agency that is the appointing authority at the time of injury;

~~((d))~~ (3) Require each agency to name an agency representative responsible for coordinating the return-to-work program of the agency;

~~((e))~~ (4) Provide that applicants receiving appointments for classified service receive an explanation of the return-to-work policy;

~~((f))~~ (5) Require training of supervisors on implementation of the return-to-work policy, including but not limited to assessment of the appropriateness of the return-to-work job for the employee; and

~~((g))~~ (6) Coordinate participation of applicable employee assistance programs, as appropriate.

~~((2))~~ The agency full-time equivalents necessary to implement the return-to-work program established under this section shall be used only for the purposes of the return-to-work program and the net increase in full-time equivalents shall be temporary.)

Sec. 428. RCW 41.06.510 and 1993 c 281 s 10 are each amended to read as follows:

Each institution of higher education and each related board shall designate an officer who shall perform duties as personnel officer. The personnel officer at each institution or related board shall direct, supervise, and manage administrative and technical personnel activities for the classified service at the institution or related board consistent with policies established by the institution or related board and in accordance with the provisions of this chapter and the rules adopted under this chapter. Institutions may undertake jointly with one or more other institutions to appoint a person qualified to perform the duties of personnel officer, provide staff and financial support and may engage consultants to assist in the performance of specific projects. The services of the department of ~~((personnel))~~ enterprise services and the office of financial management may also be used by the institutions or related boards pursuant to RCW 41.06.080.

The state board for community and technical colleges shall have general supervision and control over activities undertaken by the various community colleges pursuant to this section.

Sec. 429. RCW 41.06.530 and 1993 c 281 s 12 are each amended to read as follows:

(1) The legislature recognizes that:

(a) The labor market and the state government workforce are diverse in terms of gender, race, ethnicity, age, and the presence of disabilities.

(b) The state's personnel resource and management practices must be responsive to the diverse nature of its workforce composition.

(c) Managers in all agencies play a key role in the implementation of all critical personnel policies.

It is therefore the policy of the state to create an organizational culture in state government that respects and values individual differences and encourages the productive potential of every employee.

(2) To implement this policy (~~the department shall~~):

(a) The office of financial management shall, in consultation with agencies, employee organizations, employees, institutions of higher education, and related boards, review civil service rules and related policies to ensure that they support the state's policy of valuing and managing diversity in the workplace; and

(b) (In consultation with agencies, employee organizations, and employees, institutions of higher education, and related boards, develop model policies, procedures, and technical information to be made available to such entities for the support of workplace diversity programs, including, but not limited to:

(i) Voluntary mentorship programs;

(ii) Alternative testing practices for persons of disability where deemed appropriate;

(iii) Career counseling;

(iv) Training opportunities, including management and employee awareness and skills training, English as a second language, and individual tutoring;

(v) Recruitment strategies;

(vi) Management performance appraisal techniques that focus on valuing and managing diversity in the workplace; and

(vii) Alternative work arrangements;

(c)) The department of enterprise services, in consultation with agencies, employee organizations, and employees, institutions of higher education, and related boards, develop training programs for all managers to enhance their ability to implement diversity policies and to provide a thorough grounding in all aspects of the state civil service law and merit system rules, and how the proper implementation and application thereof can facilitate and further the mission of the agency.

(3) The department of enterprise services and the office of financial management shall coordinate implementation of this section with the (~~office of financial management and~~) institutions of higher education and related boards to reduce duplication of effort.

NEW SECTION. Sec. 430. A new section is added to chapter 43.41 RCW to read as follows:

(1) The office of financial management shall direct and supervise the personnel policy and application of the civil service laws, chapter 41.06 RCW.

(2) The human resources director is created in the office of financial management. The human resources director shall be appointed by the governor, and shall serve at the pleasure of the governor. The director shall receive a salary in an amount fixed by the governor.

(3) The human resources director has the authority and shall perform the functions as prescribed in chapter 41.06 RCW, or as otherwise prescribed by law.

(4) The human resources director may delegate to any agency the authority to perform administrative and technical personnel activities

if the agency requests such authority and the human resources director is satisfied that the agency has the personnel management capabilities to effectively perform the delegated activities. The human resources director shall prescribe standards and guidelines for the performance of delegated activities. If the human resources director determines that an agency is not performing delegated activities within the prescribed standards and guidelines, the director shall withdraw the authority from the agency to perform such activities.

Sec. 431. RCW 34.05.030 and 2006 c 300 s 4 are each amended to read as follows:

(1) This chapter shall not apply to:

(a) The state militia, or

(b) The board of clemency and pardons, or

(c) The department of corrections or the indeterminate sentencing review board with respect to persons who are in their custody or are subject to the jurisdiction of those agencies.

(2) The provisions of RCW 34.05.410 through 34.05.598 shall not apply:

(a) To adjudicative proceedings of the board of industrial insurance appeals except as provided in RCW 7.68.110 and 51.48.131;

(b) Except for actions pursuant to chapter 46.29 RCW, to the denial, suspension, or revocation of a driver's license by the department of licensing;

(c) To the department of labor and industries where another statute expressly provides for review of adjudicative proceedings of a department action, order, decision, or award before the board of industrial insurance appeals;

(d) To actions of the Washington personnel resources board (~~or the director of personnel~~), the human resources director, or the office of financial management and the department of enterprise services when carrying out their duties under chapter 41.06 RCW;

(e) To adjustments by the department of revenue of the amount of the surcharge imposed under RCW 82.04.261; or

(f) To the extent they are inconsistent with any provisions of chapter 43.43 RCW.

(3) Unless a party makes an election for a formal hearing pursuant to RCW 82.03.140 or 82.03.190, RCW 34.05.410 through 34.05.598 do not apply to a review hearing conducted by the board of tax appeals.

(4) The rule-making provisions of this chapter do not apply to:

(a) Reimbursement unit values, fee schedules, arithmetic conversion factors, and similar arithmetic factors used to determine payment rates that apply to goods and services purchased under contract for clients eligible under chapter 74.09 RCW; and

(b) Adjustments by the department of revenue of the amount of the surcharge imposed under RCW 82.04.261.

(5) All other agencies, whether or not formerly specifically excluded from the provisions of all or any part of the administrative procedure act, shall be subject to the entire act.

Sec. 432. RCW 41.04.340 and 2002 c 354 s 227 are each amended to read as follows:

(1) An attendance incentive program is established for all eligible employees. As used in this section the term "eligible employee" means any employee of the state, other than eligible employees of the community and technical colleges and the state board for community and technical colleges identified in RCW 28B.50.553, and teaching and research faculty at the state and regional universities and The Evergreen State College, entitled to accumulate sick leave and for whom accurate sick leave records have been maintained. No employee may receive compensation under this section for any portion of sick leave accumulated at a rate in excess of one day per month. The state and regional universities and The Evergreen State College shall maintain complete and accurate sick leave records for all teaching and research faculty.

(2) In January of the year following any year in which a minimum of sixty days of sick leave is accrued, and each January thereafter, any eligible employee may receive remuneration for unused sick leave accumulated in the previous year at a rate equal to one day's monetary compensation of the employee for each four full days of accrued sick leave in excess of sixty days. Sick leave for which compensation has been received shall be deducted from accrued sick leave at the rate of four days for every one day's monetary compensation.

(3) At the time of separation from state service due to retirement or death, an eligible employee or the employee's estate may elect to receive remuneration at a rate equal to one day's current monetary compensation of the employee for each four full days of accrued sick leave.

(4) Remuneration or benefits received under this section shall not be included for the purpose of computing a retirement allowance under any public retirement system in this state.

(5) Except as provided in subsections (7) through (9) of this section for employees not covered by chapter 41.06 RCW, this section shall be administered, and rules shall be adopted to carry out its purposes, by the human resources director (~~(of personnel)~~) for persons subject to chapter 41.06 RCW: PROVIDED, That determination of classes of eligible employees shall be subject to approval by the office of financial management.

(6) Should the legislature revoke any remuneration or benefits granted under this section, no affected employee shall be entitled thereafter to receive such benefits as a matter of contractual right.

(7) In lieu of remuneration for unused sick leave at retirement as provided in subsection (3) of this section, an agency head or designee may with equivalent funds, provide eligible employees with a benefit plan that provides for reimbursement for medical expenses. This plan shall be implemented only after consultation with affected groups of employees. For eligible employees covered by chapter 41.06 RCW, procedures for the implementation of these plans shall be adopted by the human resources director (~~(of personnel)~~). For eligible employees exempt from chapter 41.06 RCW, and classified employees who have opted out of coverage of chapter 41.06 RCW as provided in RCW 41.56.201, implementation procedures shall be adopted by an agency head having jurisdiction over the employees.

(8) Implementing procedures adopted by the human resources director (~~(of personnel)~~) or agency heads shall require that each medical expense plan authorized by subsection (7) of this section apply to all eligible employees in any one of the following groups: (a) Employees in an agency; (b) employees in a major organizational subdivision of an agency; (c) employees at a major operating location of an agency; (d) exempt employees under the jurisdiction of an elected or appointed Washington state executive; (e) employees of the Washington state senate; (f) employees of the Washington state house of representatives; (g) classified employees in a bargaining unit established by the director of personnel; or (h) other group of employees defined by an agency head that is not designed to provide an individual-employee choice regarding participation in a medical expense plan. However, medical expense plans for eligible employees in any of the groups under (a) through (h) of this subsection who are covered by a collective bargaining agreement shall be implemented only by written agreement with the bargaining unit's exclusive representative and a separate medical expense plan may be provided for unrepresented employees.

(9) Medical expense plans authorized by subsection (7) of this section must require as a condition of participation in the plan that employees in the group affected by the plan sign an agreement with the employer. The agreement must include a provision to hold the employer harmless should the United States government find that the employer or the employee is in debt to the United States as a result of the employee not paying income taxes due on the equivalent funds placed into the plan, or as a result of the employer not withholding or

deducting a tax, assessment, or other payment on the funds as required by federal law. The agreement must also include a provision that requires an eligible employee to forfeit remuneration under subsection (3) of this section if the employee belongs to a group that has been designated to participate in the medical expense plan permitted under this section and the employee refuses to execute the required agreement.

Sec. 433. RCW 41.04.385 and 2006 c 265 s 201 are each amended to read as follows:

The legislature finds that (1) demographic, economic, and social trends underlie a critical and increasing demand for child care in the state of Washington; (2) working parents and their children benefit when the employees' child care needs have been resolved; (3) the state of Washington should serve as a model employer by creating a supportive atmosphere, to the extent feasible, in which its employees may meet their child care needs; and (4) the state of Washington should encourage the development of partnerships between state agencies, state employees, state employee labor organizations, and private employers to expand the availability of affordable quality child care. The legislature finds further that resolving employee child care concerns not only benefits the employees and their children, but may benefit the employer by reducing absenteeism, increasing employee productivity, improving morale, and enhancing the employer's position in recruiting and retaining employees. Therefore, the legislature declares that it is the policy of the state of Washington to assist state employees by creating a supportive atmosphere in which they may meet their child care needs. Policies and procedures for state agencies to address employee child care needs will be the responsibility of the director of (~~(personnel)~~) enterprise services in consultation with the director of the department of early learning and state employee representatives.

Sec. 434. RCW 41.04.395 and 1994 sp.s. c 9 s 801 are each amended to read as follows:

(1) The disability accommodation revolving fund is created in the custody of the state treasurer. Disbursements from the fund shall be on authorization of the director of (~~(the department of personnel)~~) financial management or the director's designee. The fund is subject to the allotment procedure provided under chapter 43.88 RCW, but no appropriation is required for disbursements. The fund shall be used exclusively by state agencies to accommodate the unanticipated job site or equipment needs of persons of disability in state employ.

(2) The director of (~~(the department of personnel)~~) financial management or the director's designee shall consult with the governor's committee on disability issues and employment regarding requests for disbursements from the disability accommodation revolving fund. The department shall establish application procedures, adopt criteria, and provide technical assistance to users of the fund.

(3) Agencies that receive moneys from the disability accommodation revolving fund shall return to the fund the amount received from the fund by no later than the end of the first month of the following fiscal biennium.

Sec. 435. RCW 41.04.665 and 2010 1st sp.s. c 32 s 10 and 2010 c 168 s 1 are each reenacted and amended to read as follows:

(1) An agency head may permit an employee to receive leave under this section if:

(a)(i) The employee suffers from, or has a relative or household member suffering from, an illness, injury, impairment, or physical or mental condition which is of an extraordinary or severe nature;

(ii) The employee has been called to service in the uniformed services;

(iii) A state of emergency has been declared anywhere within the United States by the federal or any state government and the employee has needed skills to assist in responding to the emergency or its aftermath and volunteers his or her services to either a governmental agency or to a nonprofit organization engaged in

humanitarian relief in the devastated area, and the governmental agency or nonprofit organization accepts the employee's offer of volunteer services;

(iv) The employee is a victim of domestic violence, sexual assault, or stalking; or

(v) During the 2009-2011 fiscal biennium only, the employee is eligible to use leave in lieu of temporary layoff under section 3(5), chapter 32, Laws of 2010 1st sp. sess.;

(b) The illness, injury, impairment, condition, call to service, emergency volunteer service, or consequence of domestic violence, sexual assault, temporary layoff under section 3(5), chapter 32, Laws of 2010 1st sp. sess., or stalking has caused, or is likely to cause, the employee to:

(i) Go on leave without pay status; or

(ii) Terminate state employment;

(c) The employee's absence and the use of shared leave are justified;

(d) The employee has depleted or will shortly deplete his or her:

(i) Annual leave and sick leave reserves if he or she qualifies under (a)(i) of this subsection;

(ii) Annual leave and paid military leave allowed under RCW 38.40.060 if he or she qualifies under (a)(ii) of this subsection; or

(iii) Annual leave if he or she qualifies under (a)(iii), (iv), or (v) of this subsection;

(e) The employee has abided by agency rules regarding:

(i) Sick leave use if he or she qualifies under (a)(i) or (iv) of this subsection; or

(ii) Military leave if he or she qualifies under (a)(ii) of this subsection; and

(f) The employee has diligently pursued and been found to be ineligible for benefits under chapter 51.32 RCW if he or she qualifies under (a)(i) of this subsection.

(2) The agency head shall determine the amount of leave, if any, which an employee may receive under this section. However, an employee shall not receive a total of more than five hundred twenty-two days of leave, except that, a supervisor may authorize leave in excess of five hundred twenty-two days in extraordinary circumstances for an employee qualifying for the shared leave program because he or she is suffering from an illness, injury, impairment, or physical or mental condition which is of an extraordinary or severe nature. Shared leave received under the uniformed service shared leave pool in RCW 41.04.685 is not included in this total.

(3) An employee may transfer annual leave, sick leave, and his or her personal holiday, as follows:

(a) An employee who has an accrued annual leave balance of more than ten days may request that the head of the agency for which the employee works transfer a specified amount of annual leave to another employee authorized to receive leave under subsection (1) of this section. In no event may the employee request a transfer of an amount of leave that would result in his or her annual leave account going below ten days. For purposes of this subsection (3)(a), annual leave does not accrue if the employee receives compensation in lieu of accumulating a balance of annual leave.

(b) An employee may transfer a specified amount of sick leave to an employee requesting shared leave only when the donating employee retains a minimum of one hundred seventy-six hours of sick leave after the transfer.

(c) An employee may transfer, under the provisions of this section relating to the transfer of leave, all or part of his or her personal holiday, as that term is defined under RCW 1.16.050, or as such holidays are provided to employees by agreement with a school district's board of directors if the leave transferred under this subsection does not exceed the amount of time provided for personal holidays under RCW 1.16.050.

(4) An employee of an institution of higher education under RCW 28B.10.016, school district, or educational service district who does not accrue annual leave but does accrue sick leave and who has an accrued sick leave balance of more than twenty-two days may request that the head of the agency for which the employee works transfer a specified amount of sick leave to another employee authorized to receive leave under subsection (1) of this section. In no event may such an employee request a transfer that would result in his or her sick leave account going below twenty-two days. Transfers of sick leave under this subsection are limited to transfers from employees who do not accrue annual leave. Under this subsection, "sick leave" also includes leave accrued pursuant to RCW 28A.400.300(2) or 28A.310.240(1) with compensation for illness, injury, and emergencies.

(5) Transfers of leave made by an agency head under subsections (3) and (4) of this section shall not exceed the requested amount.

(6) Leave transferred under this section may be transferred from employees of one agency to an employee of the same agency or, with the approval of the heads of both agencies, to an employee of another state agency.

(7) While an employee is on leave transferred under this section, he or she shall continue to be classified as a state employee and shall receive the same treatment in respect to salary, wages, and employee benefits as the employee would normally receive if using accrued annual leave or sick leave.

(a) All salary and wage payments made to employees while on leave transferred under this section shall be made by the agency employing the person receiving the leave. The value of leave transferred shall be based upon the leave value of the person receiving the leave.

(b) In the case of leave transferred by an employee of one agency to an employee of another agency, the agencies involved shall arrange for the transfer of funds and credit for the appropriate value of leave.

(i) Pursuant to rules adopted by the office of financial management, funds shall not be transferred under this section if the transfer would violate any constitutional or statutory restrictions on the funds being transferred.

(ii) The office of financial management may adjust the appropriation authority of an agency receiving funds under this section only if and to the extent that the agency's existing appropriation authority would prevent it from expending the funds received.

(iii) Where any questions arise in the transfer of funds or the adjustment of appropriation authority, the director of financial management shall determine the appropriate transfer or adjustment.

(8) Leave transferred under this section shall not be used in any calculation to determine an agency's allocation of full time equivalent staff positions.

(9) The value of any leave transferred under this section which remains unused shall be returned at its original value to the employee or employees who transferred the leave when the agency head finds that the leave is no longer needed or will not be needed at a future time in connection with the illness or injury for which the leave was transferred or for any other qualifying condition. Before the agency head makes a determination to return unused leave in connection with an illness or injury, or any other qualifying condition, he or she must receive from the affected employee a statement from the employee's doctor verifying that the illness or injury is resolved. To the extent administratively feasible, the value of unused leave which was transferred by more than one employee shall be returned on a pro rata basis.

(10) An employee who uses leave that is transferred to him or her under this section may not be required to repay the value of the leave that he or she used.

(11) The human resources director (~~(of personnel)~~) may adopt rules as necessary to implement subsection (2) ~~((a) through (e))~~ of this section.

Sec. 436. RCW 41.04.670 and 1993 c 281 s 18 are each amended to read as follows:

The (~~Washington personnel resources board~~) office of financial management and other personnel authorities shall each adopt rules applicable to employees under their respective jurisdictions: (1) Establishing appropriate parameters for the program which are consistent with the provisions of RCW 41.04.650 through 41.04.665; (2) providing for equivalent treatment of employees between their respective jurisdictions and allowing transfers of leave in accordance with RCW 41.04.665(5); (3) establishing procedures to ensure that the program does not significantly increase the cost of providing leave; and (4) providing for the administration of the program and providing for maintenance and collection of sufficient information on the program to allow a thorough legislative review.

Sec. 437. RCW 41.04.680 and 2006 c 356 s 1 are each amended to read as follows:

The (~~department of personnel~~) office of financial management and other personnel authorities shall adopt rules or policies governing the accumulation and use of sick leave for state agency and department employees, expressly for the establishment of a plan allowing participating employees to pool sick leave and allowing any sick leave thus pooled to be used by any participating employee who has used all of the sick leave, annual leave, and compensatory leave that has been personally accrued by him or her. Each department or agency of the state may allow employees to participate in a sick leave pool established by the (~~department of personnel~~) office of financial management and other personnel authorities.

(1) For purposes of calculating maximum sick leave that may be donated or received by any one employee, pooled sick leave:

(a) Is counted and converted in the same manner as sick leave under the Washington state leave sharing program as provided in this chapter; and

(b) Does not create a right to sick leave in addition to the amount that may be donated or received under the Washington state leave sharing program as provided in this chapter.

(2) The (~~department~~) office of financial management and other personnel authorities, except the personnel authorities for higher education institutions, shall adopt rules which provide:

(a) That employees are eligible to participate in the sick leave pool after one year of employment with the state or agency of the state if the employee has accrued a minimum amount of unused sick leave, to be established by rule;

(b) That participation in the sick leave pool shall, at all times, be voluntary on the part of the employees;

(c) That any sick leave pooled shall be removed from the personally accumulated sick leave balance of the employee contributing the leave;

(d) That any sick leave in the pool that is used by a participating employee may be used only for the employee's personal illness, accident, or injury;

(e) That a participating employee is not eligible to use sick leave accumulated in the pool until all of his or her personally accrued sick, annual, and compensatory leave has been used;

(f) A maximum number of days of sick leave in the pool that any one employee may use;

(g) That a participating employee who uses sick leave from the pool is not required to retribute such sick leave to the pool, except as otherwise provided in this section;

(h) That an employee who cancels his or her membership in the sick leave pool is not eligible to withdraw the days of sick leave contributed by that employee to the pool;

(i) That an employee who transfers from one position in state government to another position in state government may transfer from

one pool to another if the eligibility criteria of the pools are comparable and the administrators of the pools have agreed on a formula for transfer of credits;

(j) That alleged abuse of the use of the sick leave pool shall be investigated, and, on a finding of wrongdoing, the employee shall repay all of the sick leave credits drawn from the sick leave pool and shall be subject to such other disciplinary action as is determined by the agency head;

(k) That sick leave credits may be drawn from the sick leave pool by a part-time employee on a pro rata basis; and

(l) That each department or agency shall maintain accurate and reliable records showing the amount of sick leave which has been accumulated and is unused by employees, in accordance with guidelines established by the department of personnel.

(3) Personnel authorities for higher education institutions shall adopt policies consistent with the needs of the employees under their respective jurisdictions.

Sec. 438. RCW 41.04.685 and 2007 c 25 s 1 are each amended to read as follows:

(1) The uniformed service shared leave pool is created to allow employees to donate leave to be used as shared leave for any employee who has been called to service in the uniformed services and who meets the requirements of RCW 41.04.665. Participation in the pool shall, at all times, be voluntary on the part of the employee. The military department, in consultation with the (~~department of personnel and the~~) office of financial management, shall administer the uniformed service shared leave pool.

(2) Employees as defined in subsection (10) of this section who are eligible to donate leave under RCW 41.04.665 may donate leave to the uniformed service shared leave pool.

(3) An employee as defined in subsection (10) of this section who has been called to service in the uniformed services and is eligible for shared leave under RCW 41.04.665 may request shared leave from the uniformed service shared leave pool.

(4) It shall be the responsibility of the employee who has been called to service to provide an earnings statement verifying military salary, orders of service, and notification of a change in orders of service or military salary.

(5) Shared leave under this section may not be granted unless the pool has a sufficient balance to fund the requested shared leave for the expected term of service.

(6) Shared leave paid under this section, in combination with military salary, shall not exceed the level of the employee's state monthly salary.

(7) Any leave donated shall be removed from the personally accumulated leave balance of the employee donating the leave.

(8) An employee who receives shared leave from the pool is not required to retribute such leave to the pool, except as otherwise provided in this section.

(9) Leave that may be donated or received by any one employee shall be calculated as in RCW 41.04.665.

(10) As used in this section:

(a) "Employee" has the meaning provided in RCW 41.04.655, except that "employee" as used in this section does not include employees of school districts and educational service districts.

(b) "Service in the uniformed services" has the meaning provided in RCW 41.04.655.

(c) "Military salary" includes base, specialty, and other pay, but does not include allowances such as the basic allowance for housing.

(d) "Monthly salary" includes monthly salary and special pay and shift differential, or the monthly equivalent for hourly employees. "Monthly salary" does not include:

(i) Overtime pay;

(ii) Call back pay;

(iii) Standby pay; or

(iv) Performance bonuses.

(11) The ~~((department of personnel))~~ office of financial management, in consultation with the military department ~~((and the office of financial management))~~, shall adopt rules and policies governing the donation and use of shared leave from the uniformed service shared leave pool, including definitions of pay and allowances and guidelines for agencies to use in recordkeeping concerning shared leave.

(12) Agencies shall investigate any alleged abuse of the uniformed service shared leave pool and on a finding of wrongdoing, the employee may be required to repay all of the shared leave received from the uniformed service shared leave pool.

(13) Higher education institutions shall adopt policies consistent with the needs of the employees under their respective jurisdictions.

Sec. 439. RCW 41.04.720 and 1990 c 60 s 303 are each amended to read as follows:

The director of ~~((human resources))~~ enterprise services shall:

(1) Administer the state employee assistance program to assist employees who have personal problems that adversely affect their job performance or have the potential of doing so;

(2) Develop policies, procedures, and activities for the program;

(3) Encourage and promote the voluntary use of the employee assistance program by increasing employee awareness and disseminating educational materials;

(4) Provide technical assistance and training to agencies on how to use the employee assistance program;

(5) Assist and encourage supervisors to identify and refer employees with problems that impair their performance by incorporating proper use of the program in management training, management performance criteria, ongoing communication with agencies, and other appropriate means;

(6) Offer substance abuse prevention and awareness activities to be provided through the employee assistance program and the state employee wellness program;

(7) Monitor and evaluate the effectiveness of the program, including the collection, analysis, and publication of relevant statistical information; and

(8) Consult with state agencies, institutions of higher education, and employee organizations in carrying out the purposes of RCW 41.04.700 through 41.04.730.

Sec. 440. RCW 41.04.770 and 1997 c 287 s 4 are each amended to read as follows:

The department of social and health services and the department of ~~((personnel))~~ enterprise services shall, after consultation with supported employment provider associations and other interested parties, encourage, educate, and assist state agencies in implementing supported employment programs. The department of ~~((personnel))~~ enterprise services shall provide human resources technical assistance to agencies implementing supported employment programs. ~~((The department of personnel shall make available, upon request of the legislature, an annual report that evaluates the overall progress of supported employment in state government.))~~

Sec. 441. RCW 41.07.020 and 1979 c 151 s 62 are each amended to read as follows:

The department of ~~((personnel))~~ enterprise services is authorized to administer, maintain, and operate the central personnel-payroll system and to provide its services for any state agency designated jointly by the director of the department of ~~((personnel))~~ enterprise services and the director of financial management.

The system shall be operated through state data processing centers. State agencies shall convert personnel and payroll processing to the central personnel-payroll system as soon as administratively and technically feasible as determined by the office of financial management and the department of ~~((personnel))~~ enterprise services. It is the intent of the legislature to provide, through the central personnel-payroll system, for uniform reporting to the office of financial management and to the legislature regarding salaries and

related costs, and to reduce present costs of manual procedures in personnel and payroll record keeping and reporting.

Sec. 442. RCW 41.07.030 and 1975 1st ex.s. c 239 s 3 are each amended to read as follows:

The costs of administering, maintaining, and operating the central personnel-payroll system shall be distributed to the using state agencies. In order to insure proper and equitable distribution of costs the department of ~~((personnel))~~ enterprise services shall utilize cost accounting procedures to identify all costs incurred in the administration, maintenance, and operation of the central personnel-payroll system. In order to facilitate proper and equitable distribution of costs to the using state agencies the department of ~~((personnel))~~ enterprise services is authorized to utilize the data processing revolving fund created by RCW 43.105.080 ~~((as recodified by this act))~~ and the ~~((department of))~~ personnel service fund created by RCW 41.06.280.

Sec. 443. RCW 41.60.015 and 2000 c 139 s 1 are each amended to read as follows:

(1) There is hereby created the productivity board, which may also be known as the employee involvement and recognition board. The board shall administer the employee suggestion program and the teamwork incentive program under this chapter.

(2) The board shall be composed of:

(a) The secretary of state who shall act as chairperson;

(b) ~~((The director of personnel appointed under the provisions of RCW 41.06.130 or the director's designee;~~

(c)) The director of financial management or the director's designee;

~~((d))~~ (c) The director of ~~((general administration))~~ enterprise services or the director's designee;

~~((e))~~ (d) Three persons with experience in administering incentives such as those used by industry, with the governor, lieutenant governor, and speaker of the house of representatives each appointing one person. The governor's appointee shall be a representative of an employee organization certified as an exclusive representative of at least one bargaining unit of classified employees;

~~((f))~~ (e) Two persons representing state agencies and institutions with employees subject to chapter 41.06 RCW, and one person representing those subject to chapter 28B.16 RCW, both appointed by the governor; and

~~((g))~~ (f) In addition, the governor and board chairperson may jointly appoint persons to the board on an ad hoc basis. Ad hoc members shall serve in an advisory capacity and shall not have the right to vote.

Members under subsection (2)~~((e))~~(d) and ~~((f))~~ (e) of this section shall be appointed to serve three-year terms.

Members of the board appointed pursuant to subsection (2)~~((e))~~(d) of this section may be compensated in accordance with RCW 43.03.240. Any board member who is not a state employee may be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

Sec. 444. RCW 41.80.005 and 2002 c 354 s 321 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Agency" means any agency as defined in RCW 41.06.020 and covered by chapter 41.06 RCW.

(2) "Collective bargaining" means the performance of the mutual obligation of the representatives of the employer and the exclusive bargaining representative to meet at reasonable times and to bargain in good faith in an effort to reach agreement with respect to the subjects of bargaining specified under RCW 41.80.020. The obligation to bargain does not compel either party to agree to a proposal or to make a concession, except as otherwise provided in this chapter.

(3) "Commission" means the public employment relations commission.

(4) "Confidential employee" means an employee who, in the regular course of his or her duties, assists in a confidential capacity persons who formulate, determine, and effectuate management policies with regard to labor relations or who, in the regular course of his or her duties, has authorized access to information relating to the effectuation or review of the employer's collective bargaining policies, or who assists or aids a manager. "Confidential employee" also includes employees who assist assistant attorneys general who advise and represent managers or confidential employees in personnel or labor relations matters, or who advise or represent the state in tort actions.

(5) "Director" means the director of the public employment relations commission.

(6) "Employee" means any employee, including employees whose work has ceased in connection with the pursuit of lawful activities protected by this chapter, covered by chapter 41.06 RCW, except:

(a) Employees covered for collective bargaining by chapter 41.56 RCW;

(b) Confidential employees;

(c) Members of the Washington management service;

(d) Internal auditors in any agency; or

(e) Any employee of the commission, the office of financial management, ~~((or the department of personnel))~~ or the office of risk management within the department of enterprise services.

(7) "Employee organization" means any organization, union, or association in which employees participate and that exists for the purpose, in whole or in part, of collective bargaining with employers.

(8) "Employer" means the state of Washington.

(9) "Exclusive bargaining representative" means any employee organization that has been certified under this chapter as the representative of the employees in an appropriate bargaining unit.

(10) "Institutions of higher education" means the University of Washington, Washington State University, Central Washington University, Eastern Washington University, Western Washington University, The Evergreen State College, and the various state community colleges.

(11) "Labor dispute" means any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment with respect to the subjects of bargaining provided in this chapter, regardless of whether the disputants stand in the proximate relation of employer and employee.

(12) "Manager" means "manager" as defined in RCW 41.06.022.

(13) "Supervisor" means an employee who has authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, direct, reward, or discipline employees, or to adjust employee grievances, or effectively to recommend such action, if the exercise of the authority is not of a merely routine nature but requires the consistent exercise of individual judgment. However, no employee who is a member of the Washington management service may be included in a collective bargaining unit established under this section.

(14) "Unfair labor practice" means any unfair labor practice listed in RCW 41.80.110.

Sec. 445. RCW 41.80.020 and 2010 c 283 s 16 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, the matters subject to bargaining include wages, hours, and other terms and conditions of employment, and the negotiation of any question arising under a collective bargaining agreement.

(2) The employer is not required to bargain over matters pertaining to:

(a) Health care benefits or other employee insurance benefits, except as required in subsection (3) of this section;

(b) Any retirement system or retirement benefit; or

(c) Rules of the human resources director ~~((of personnel))~~, the director of enterprise services, or the Washington personnel resources board adopted under ~~((section 203, chapter 354, Laws of 2002))~~ section 411 of this act.

(3) Matters subject to bargaining include the number of names to be certified for vacancies, promotional preferences, and the dollar amount expended on behalf of each employee for health care benefits. However, except as provided otherwise in this subsection for institutions of higher education, negotiations regarding the number of names to be certified for vacancies, promotional preferences, and the dollar amount expended on behalf of each employee for health care benefits shall be conducted between the employer and one coalition of all the exclusive bargaining representatives subject to this chapter. The exclusive bargaining representatives for employees that are subject to chapter 47.64 RCW shall bargain the dollar amount expended on behalf of each employee for health care benefits with the employer as part of the coalition under this subsection. Any such provision agreed to by the employer and the coalition shall be included in all master collective bargaining agreements negotiated by the parties. For institutions of higher education, promotional preferences and the number of names to be certified for vacancies shall be bargained under the provisions of RCW 41.80.010(4).

(4) The employer and the exclusive bargaining representative shall not agree to any proposal that would prevent the implementation of approved affirmative action plans or that would be inconsistent with the comparable worth agreement that provided the basis for the salary changes implemented beginning with the 1983-1985 biennium to achieve comparable worth.

(5) The employer and the exclusive bargaining representative shall not bargain over matters pertaining to management rights established in RCW 41.80.040.

(6) Except as otherwise provided in this chapter, if a conflict exists between an executive order, administrative rule, or agency policy relating to wages, hours, and terms and conditions of employment and a collective bargaining agreement negotiated under this chapter, the collective bargaining agreement shall prevail. A provision of a collective bargaining agreement that conflicts with the terms of a statute is invalid and unenforceable.

(7) This section does not prohibit bargaining that affects contracts authorized by RCW 41.06.142.

Sec. 446. RCW 42.16.010 and 2008 c 186 s 1 are each amended to read as follows:

(1) Except as provided otherwise in subsections (2) and (3) of this section, all state officers and employees shall be paid for services rendered from the first day of the month through the fifteenth day of the month and for services rendered from the sixteenth day of the month through the last calendar day of the month. Paydates for these two pay periods shall be established by the director of financial management through the administrative hearing process and the official paydates shall be established six months prior to the beginning of each subsequent calendar year. Under no circumstance shall the paydate be established more than ten days after the pay period in which the wages are earned except when the designated paydate falls on Sunday, in which case the paydate shall not be later than the following Monday. Payment shall be deemed to have been made by the established paydates if: (a) The salary warrant is available at the geographic work location at which the warrant is normally available to the employee; or (b) the salary has been electronically transferred into the employee's account at the employee's designated financial institution; or (c) the salary warrants are mailed at least two days before the established paydate for those employees engaged in work in remote or varying locations from the

geographic location at which the payroll is prepared, provided that the employee has requested payment by mail.

The office of financial management shall develop the necessary policies and operating procedures to assure that all remuneration for services rendered including basic salary, shift differential, standby pay, overtime, penalty pay, salary due based on contractual agreements, and special pay provisions, as provided for by law, ~~((Washington personnel resources board rules,))~~ agency policy or rule, or contract, shall be available to the employee on the designated payday. Overtime, penalty pay, and special pay provisions may be paid by the next following payday if the postponement of payment is attributable to: The employee's not making a timely or accurate report of the facts which are the basis for the payment, or the employer's lack of reasonable opportunity to verify the claim.

Compensable benefits payable because of separation from state service shall be paid with the earnings for the final period worked unless the employee separating has not provided the agency with the proper notification of intent to terminate.

One-half of the employee's basic monthly salary shall be paid in each pay period. Employees paid on an hourly basis or employees who work less than a full pay period shall be paid for actual salary earned.

(2) Subsection (1) of this section shall not apply in instances where it would conflict with contractual rights or, with the approval of the office of financial management, to short-term, intermittent, noncareer state employees, to student employees of institutions of higher education, to national or state guard members participating in state active duty, and to liquor control agency managers who are paid a percentage of monthly liquor sales.

(3) When a national or state guard member is called to participate in state active duty, the payday shall be no more than seven days following completion of duty or the end of the pay period, whichever is first. When the seventh day falls on Sunday, the payday shall not be later than the following Monday. This subsection shall apply only to the pay a national or state guard member receives from the military department for state active duty.

(4) Notwithstanding subsections (1) and (2) of this section, a bargained contract at an institution of higher education may include a provision for paying part-time academic employees on a pay schedule that coincides with all the paydays used for full-time academic employees.

Sec. 447. RCW 42.17.370 and 2010 1st sp.s. c 7 s 4 are each amended to read as follows:

The commission is empowered to:

(1) Adopt, promulgate, amend, and rescind suitable administrative rules to carry out the policies and purposes of this chapter, which rules shall be adopted under chapter 34.05 RCW. Any rule relating to campaign finance, political advertising, or related forms that would otherwise take effect after June 30th of a general election year shall take effect no earlier than the day following the general election in that year;

(2) Appoint and set, within the limits established by the ~~((department of personnel))~~ office of financial management under RCW 43.03.028, the compensation of an executive director who shall perform such duties and have such powers as the commission may prescribe and delegate to implement and enforce this chapter efficiently and effectively. The commission shall not delegate its authority to adopt, amend, or rescind rules nor shall it delegate authority to determine whether an actual violation of this chapter has occurred or to assess penalties for such violations;

(3) Prepare and publish such reports and technical studies as in its judgment will tend to promote the purposes of this chapter, including reports and statistics concerning campaign financing, lobbying, financial interests of elected officials, and enforcement of this chapter;

(4) Make from time to time, on its own motion, audits and field investigations;

(5) Make public the time and date of any formal hearing set to determine whether a violation has occurred, the question or questions to be considered, and the results thereof;

(6) Administer oaths and affirmations, issue subpoenas, and compel attendance, take evidence and require the production of any books, papers, correspondence, memorandums, or other records relevant or material for the purpose of any investigation authorized under this chapter, or any other proceeding under this chapter;

(7) Adopt and promulgate a code of fair campaign practices;

(8) Relieve, by rule, candidates or political committees of obligations to comply with the provisions of this chapter relating to election campaigns, if they have not received contributions nor made expenditures in connection with any election campaign of more than one thousand dollars;

(9) Adopt rules prescribing reasonable requirements for keeping accounts of and reporting on a quarterly basis costs incurred by state agencies, counties, cities, and other municipalities and political subdivisions in preparing, publishing, and distributing legislative information. The term "legislative information," for the purposes of this subsection, means books, pamphlets, reports, and other materials prepared, published, or distributed at substantial cost, a substantial purpose of which is to influence the passage or defeat of any legislation. The state auditor in his or her regular examination of each agency under chapter 43.09 RCW shall review the rules, accounts, and reports and make appropriate findings, comments, and recommendations in his or her examination reports concerning those agencies;

(10) After hearing, by order approved and ratified by a majority of the membership of the commission, suspend or modify any of the reporting requirements of this chapter in a particular case if it finds that literal application of this chapter works a manifestly unreasonable hardship and if it also finds that the suspension or modification will not frustrate the purposes of the chapter. The commission shall find that a manifestly unreasonable hardship exists if reporting the name of an entity required to be reported under RCW 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive position of any entity in which the person filing the report or any member of his or her immediate family holds any office, directorship, general partnership interest, or an ownership interest of ten percent or more. Any suspension or modification shall be only to the extent necessary to substantially relieve the hardship. The commission shall act to suspend or modify any reporting requirements only if it determines that facts exist that are clear and convincing proof of the findings required under this section. Requests for renewals of reporting modifications may be heard in a brief adjudicative proceeding as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in this section. No initial request may be heard in a brief adjudicative proceeding and no request for renewal may be heard in a brief adjudicative proceeding if the initial request was granted more than three years previously or if the applicant is holding an office or position of employment different from the office or position held when the initial request was granted. The commission shall adopt administrative rules governing the proceedings. Any citizen has standing to bring an action in Thurston county superior court to contest the propriety of any order entered under this section within one year from the date of the entry of the order; ~~((and))~~

(11) Revise, at least once every five years but no more often than every two years, the monetary reporting thresholds and reporting code values of this chapter. The revisions shall be only for the purpose of recognizing economic changes as reflected by an inflationary index recommended by the office of financial management. The revisions shall be guided by the change in the index for the period commencing with the month of December preceding the last revision and concluding with the month of December preceding the month the revision is adopted. As to each of the three general categories of this

chapter (reports of campaign finance, reports of lobbyist activity, and reports of the financial affairs of elected and appointed officials), the revisions shall equally affect all thresholds within each category. Revisions shall be adopted as rules under chapter 34.05 RCW. The first revision authorized by this subsection shall reflect economic changes from the time of the last legislative enactment affecting the respective code or threshold through December 1985; and

(12) Develop and provide to filers a system for certification of reports required under this chapter which are transmitted by facsimile or electronically to the commission. Implementation of the program is contingent on the availability of funds.

Sec. 448. RCW 42.17A.110 and 2010 1st sp.s. c 7 s 4 and 2010 c 204 s 303 are each reenacted and amended to read as follows:

The commission is empowered to:

(1) Adopt, promulgate, amend, and rescind suitable administrative rules to carry out the policies and purposes of this chapter, which rules shall be adopted under chapter 34.05 RCW. Any rule relating to campaign finance, political advertising, or related forms that would otherwise take effect after June 30th of a general election year shall take effect no earlier than the day following the general election in that year;

(2) ~~Appoint and set, within the limits established by the ((committee on agency officials' salaries))~~ office of financial management under RCW 43.03.028, the compensation of an executive director who shall perform such duties and have such powers as the commission may prescribe and delegate to implement and enforce this chapter efficiently and effectively. The commission shall not delegate its authority to adopt, amend, or rescind rules nor shall it delegate authority to determine whether an actual violation of this chapter has occurred or to assess penalties for such violations;

(3) Prepare and publish such reports and technical studies as in its judgment will tend to promote the purposes of this chapter, including reports and statistics concerning campaign financing, lobbying, financial interests of elected officials, and enforcement of this chapter;

(4) Make from time to time, on its own motion, audits and field investigations;

(5) Make public the time and date of any formal hearing set to determine whether a violation has occurred, the question or questions to be considered, and the results thereof;

(6) Administer oaths and affirmations, issue subpoenas, and compel attendance, take evidence and require the production of any books, papers, correspondence, memorandums, or other records relevant or material for the purpose of any investigation authorized under this chapter, or any other proceeding under this chapter;

(7) Adopt and promulgate a code of fair campaign practices;

(8) Relieve, by rule, candidates or political committees of obligations to comply with the provisions of this chapter relating to election campaigns, if they have not received contributions nor made expenditures in connection with any election campaign of more than one thousand dollars;

(9) Adopt rules prescribing reasonable requirements for keeping accounts of and reporting on a quarterly basis costs incurred by state agencies, counties, cities, and other municipalities and political subdivisions in preparing, publishing, and distributing legislative information. The term "legislative information," for the purposes of this subsection, means books, pamphlets, reports, and other materials prepared, published, or distributed at substantial cost, a substantial purpose of which is to influence the passage or defeat of any legislation. The state auditor in his or her regular examination of each agency under chapter 43.09 RCW shall review the rules, accounts, and reports and make appropriate findings, comments, and recommendations in his or her examination reports concerning those agencies;

(10) After hearing, by order approved and ratified by a majority of the membership of the commission, suspend or modify any of the reporting requirements of this chapter in a particular case if it finds

that literal application of this chapter works a manifestly unreasonable hardship and if it also finds that the suspension or modification will not frustrate the purposes of the chapter. The commission shall find that a manifestly unreasonable hardship exists if reporting the name of an entity required to be reported under RCW 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive position of any entity in which the person filing the report or any member of his or her immediate family holds any office, directorship, general partnership interest, or an ownership interest of ten percent or more. Any suspension or modification shall be only to the extent necessary to substantially relieve the hardship. The commission shall act to suspend or modify any reporting requirements only if it determines that facts exist that are clear and convincing proof of the findings required under this section. Requests for renewals of reporting modifications may be heard in a brief adjudicative proceeding as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in this section. No initial request may be heard in a brief adjudicative proceeding and no request for renewal may be heard in a brief adjudicative proceeding if the initial request was granted more than three years previously or if the applicant is holding an office or position of employment different from the office or position held when the initial request was granted. The commission shall adopt administrative rules governing the proceedings. Any citizen has standing to bring an action in Thurston county superior court to contest the propriety of any order entered under this section within one year from the date of the entry of the order; and

(11) Revise, at least once every five years but no more often than every two years, the monetary reporting thresholds and reporting code values of this chapter. The revisions shall be only for the purpose of recognizing economic changes as reflected by an inflationary index recommended by the office of financial management. The revisions shall be guided by the change in the index for the period commencing with the month of December preceding the last revision and concluding with the month of December preceding the month the revision is adopted. As to each of the three general categories of this chapter (reports of campaign finance, reports of lobbyist activity, and reports of the financial affairs of elected and appointed officials), the revisions shall equally affect all thresholds within each category. Revisions shall be adopted as rules under chapter 34.05 RCW. The first revision authorized by this subsection shall reflect economic changes from the time of the last legislative enactment affecting the respective code or threshold through December 1985;

(12) Develop and provide to filers a system for certification of reports required under this chapter which are transmitted by facsimile or electronically to the commission. Implementation of the program is contingent on the availability of funds.

Sec. 449. RCW 43.01.040 and 2009 c 549 s 5001 are each amended to read as follows:

Each subordinate officer and employee of the several offices, departments, and institutions of the state government shall be entitled under their contract of employment with the state government to not less than one working day of vacation leave with full pay for each month of employment if said employment is continuous for six months.

Each such subordinate officer and employee shall be entitled under such contract of employment to not less than one additional working day of vacation with full pay each year for satisfactorily completing the first two, three and five continuous years of employment respectively.

Such part time officers or employees of the state government who are employed on a regular schedule of duration of not less than one year shall be entitled under their contract of employment to that fractional part of the vacation leave that the total number of hours of such employment bears to the total number of hours of full time employment.

Each subordinate officer and employee of the several offices, departments and institutions of the state government shall be entitled under his or her contract of employment with the state government to accrue unused vacation leave not to exceed thirty working days. Officers and employees transferring within the several offices, departments and institutions of the state government shall be entitled to transfer such accrued vacation leave to each succeeding state office, department or institution. All vacation leave shall be taken at the time convenient to the employing office, department or institution: PROVIDED, That if a subordinate officer's or employee's request for vacation leave is deferred by reason of the convenience of the employing office, department or institution, and a statement of the necessity therefor is ~~((filed by such employing office, department or institution with the appropriate personnel board or other state agency or officer))~~ retained by the agency, then the aforesaid maximum thirty working days of accrued unused vacation leave shall be extended for each month said leave is so deferred.

Sec. 450. RCW 43.01.135 and 2007 c 76 s 2 are each amended to read as follows:

Agencies as defined in RCW 41.06.020, except for institutions of higher education, shall:

(1) Update or develop and disseminate among all agency employees and contractors a policy that:

(a) Defines and prohibits sexual harassment in the workplace;

(b) Includes procedures that describe how the agency will address concerns of employees who are affected by sexual harassment in the workplace;

(c) Identifies appropriate sanctions and disciplinary actions; and

(d) Complies with guidelines adopted by the director of personnel under RCW 41.06.395;

(2) Respond promptly and effectively to sexual harassment concerns;

(3) Conduct training and education for all employees in order to prevent and eliminate sexual harassment in the organization;

(4) Inform employees of their right to file a complaint with the Washington state human rights commission under chapter 49.60 RCW, or with the federal equal employment opportunity commission under Title VII of the civil rights act of 1964; and

(5) Report to the department of ~~((personnel))~~ enterprise services on compliance with this section.

The cost of the training programs shall be borne by state agencies within existing resources.

Sec. 451. RCW 43.03.028 and 2010 1st sp.s. c 7 s 2 are each amended to read as follows:

(1) The ~~((department of personnel))~~ office of financial management shall study the duties and salaries of the directors of the several departments and the members of the several boards and commissions of state government, who are subject to appointment by the governor or whose salaries are fixed by the governor, and of the chief executive officers of the following agencies of state government:

The arts commission; the human rights commission; the board of accountancy; ~~((the board of pharmacy;))~~ the eastern Washington historical society; the Washington state historical society; the recreation and conservation office; the criminal justice training commission; ~~((the department of personnel; the state library;))~~ the traffic safety commission; the horse racing commission; ~~((the advisory council on vocational education;))~~ the public disclosure commission; the state conservation commission; the commission on Hispanic affairs; the commission on Asian Pacific American affairs; the state board for volunteer firefighters and reserve officers; the transportation improvement board; the public employment relations commission; ~~((the forest practices appeals board;))~~ and the energy facilities site evaluation council.

(2) The ~~((department of personnel))~~ office of financial management shall report to the governor or the chairperson of the

appropriate salary fixing authority at least once in each fiscal biennium on such date as the governor may designate, but not later than seventy-five days prior to the convening of each regular session of the legislature during an odd-numbered year, its recommendations for the salaries to be fixed for each position.

Sec. 452. RCW 43.03.120 and 2009 c 549 s 5009 are each amended to read as follows:

Any state office, commission, department or institution may also pay the moving expenses of a new employee, necessitated by his or her acceptance of state employment, pursuant to mutual agreement with such employee in advance of his or her employment(~~≠~~ ~~PROVIDED, That if such employee is in the classified service as defined in chapter 41.06 RCW, that said employee has been duly certified from an eligible register. No such offer or agreement for such payment shall be made to a prospective member of the classified service, prior to such certification, except through appropriate public announcement by the department of personnel, or other corresponding personnel agency as provided by chapter 41.06 RCW~~). Payment for all expenses authorized by RCW 43.03.060, 43.03.110 through 43.03.210 including moving expenses of new employees, exempt or classified, and others, shall be subject to reasonable ~~((regulations promulgated))~~ rules adopted by the director of financial management, including regulations defining allowable moving costs: PROVIDED, That, if the new employee terminates or causes termination of his or her employment with the state within one year of the date of employment, the state shall be entitled to reimbursement for the moving costs which have been paid and may withhold such sum as necessary therefor from any amounts due the employee.

Sec. 453. RCW 43.03.130 and 2000 c 153 s 1 are each amended to read as follows:

Any state office, commission, department or institution may agree to pay the travel expenses of a prospective employee as an inducement for such applicant to travel to a designated place to be interviewed by and for the convenience of such agency(~~≠~~ ~~PROVIDED, That if such employment is to be in the classified service, such offer may be made only on the express authorization of the state department of personnel, or other corresponding personnel agency as provided by chapter 41.06 RCW, to applicants reporting for a merit system examination or to applicants from an eligible register reporting for a pre-employment interview~~). Travel expenses authorized for prospective employees called for interviews shall be payable at rates in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended. When an applicant is called to be interviewed by or on behalf of more than one agency, the authorized travel expenses may be paid directly by the authorizing personnel department or agency, subject to reimbursement from the interviewing agencies on a pro rata basis.

In the case of both classified and exempt positions, such travel expenses will be paid only for applicants being considered for the positions of director, deputy director, assistant director, or supervisor of state departments, boards or commissions; or equivalent or higher positions; or engineers, or other personnel having both executive and professional status. In the case of the state investment board, such travel expenses may also be paid for applicants being considered for investment officer positions. In the case of four-year institutions of higher education, such travel expenses will be paid only for applicants being considered for academic positions above the rank of instructor or professional or administrative employees in supervisory positions. In the case of community and technical colleges, such travel expenses may be paid for applicants being considered for full-time faculty positions or administrative employees in supervisory positions.

Sec. 454. RCW 43.06.013 and 2006 c 45 s 1 are each amended to read as follows:

When requested by the governor or the director of the department of ~~((personnel))~~ enterprise services, nonconviction criminal history

fingerprint record checks shall be conducted through the Washington state patrol identification and criminal history section and the federal bureau of investigation on applicants for agency head positions appointed by the governor. Information received pursuant to this section shall be confidential and made available only to the governor or director of the department of personnel or their employees directly involved in the selection, hiring, or background investigation of the subject of the record check. When necessary, applicants may be employed on a conditional basis pending completion of the criminal history record check. "Agency head" as used in this section has the same definition as provided in RCW 34.05.010.

Sec. 455. RCW 43.06.410 and 1993 c 281 s 47 are each amended to read as follows:

There is established within the office of the governor the Washington state internship program to assist students and state employees in gaining valuable experience and knowledge in various areas of state government. In administering the program, the governor shall:

- (1) Consult with the secretary of state, the director of ~~((personnel))~~ enterprise services, the commissioner of the employment security department, and representatives of labor;
- (2) Encourage and assist agencies in developing intern positions;
- (3) Develop and coordinate a selection process for placing individuals in intern positions. This selection process shall give due regard to the responsibilities of the state to provide equal employment opportunities;
- (4) Develop and coordinate a training component of the internship program which balances the need for training and exposure to new ideas with the intern's and agency's need for on-the-job work experience;
- (5) Work with institutions of higher education in developing the program, soliciting qualified applicants, and selecting participants; and
- (6) Develop guidelines for compensation of the participants.

Sec. 456. RCW 43.06.425 and 2002 c 354 s 229 are each amended to read as follows:

The director of ~~((personnel))~~ financial management or the director's designee shall adopt rules to provide that:

- (1) Successful completion of an internship under RCW 43.06.420 shall be considered as employment experience at the level at which the intern was placed;
- (2) Persons leaving classified or exempt positions in state government in order to take an internship under RCW 43.06.420: (a) Have the right of reversion to the previous position at any time during the internship or upon completion of the internship; and (b) shall continue to receive all fringe benefits as if they had never left their classified or exempt positions;
- (3) Participants in the undergraduate internship program who were not public employees prior to accepting a position in the program receive sick leave allowances commensurate with other state employees;
- (4) Participants in the executive fellows program who were not public employees prior to accepting a position in the program receive sick and vacation leave allowances commensurate with other state employees.

Sec. 457. RCW 43.33A.100 and 2008 c 236 s 1 are each amended to read as follows:

The state investment board shall maintain appropriate offices and employ such personnel as may be necessary to perform its duties. Employment by the investment board shall include but not be limited to an executive director, investment officers, and a confidential secretary, which positions are exempt from classified service under chapter 41.06 RCW. Employment of the executive director by the board shall be for a term of three years, and such employment shall be subject to confirmation of the state finance committee: PROVIDED, That nothing shall prevent the board from dismissing the director for

cause before the expiration of the term nor shall anything prohibit the board, with the confirmation of the state finance committee, from employing the same individual as director in succeeding terms. Compensation levels for the executive director, a confidential secretary, and all investment officers, including the deputy director for investment management, employed by the investment board shall be established by the state investment board. The investment board is authorized to maintain a retention pool within the state investment board expense account under RCW 43.33A.160, from the earnings of the funds managed by the board, pursuant to a performance management and compensation program developed by the investment board, in order to address recruitment and retention problems and to reward performance. The compensation levels and incentive compensation for investment officers shall be limited to the average of total compensation provided by state or other public funds of similar size, based upon a biennial survey conducted by the investment board, with review and comment by the joint legislative audit and review committee. However, in any fiscal year the incentive compensation granted by the investment board from the retention pool to investment officers pursuant to this section may not exceed thirty percent. Disbursements from the retention pool shall be from legislative appropriations and shall be on authorization of the board's executive director or the director's designee.

The investment board shall provide notice to ~~((the director of the department of personnel))~~ the director of financial management~~((s))~~ and the chairs of the house of representatives and senate fiscal committees of proposed changes to the compensation levels for the positions. The notice shall be provided not less than sixty days prior to the effective date of the proposed changes.

As of July 1, 1981, all employees classified under chapter 41.06 RCW and engaged in duties assumed by the state investment board on July 1, 1981, are assigned to the state investment board. The transfer shall not diminish any rights granted these employees under chapter 41.06 RCW nor exempt the employees from any action which may occur thereafter in accordance with chapter 41.06 RCW.

All existing contracts and obligations pertaining to the functions transferred to the state investment board in chapter 3, Laws of 1981 shall remain in full force and effect, and shall be performed by the board. None of the transfers directed by chapter 3, Laws of 1981 shall affect the validity of any act performed by a state entity or by any official or employee thereof prior to July 1, 1981.

Sec. 458. RCW 43.130.060 and 1973 2nd ex.s. c 37 s 6 are each amended to read as follows:

In order to reimburse the public employees' retirement system for any increased costs occasioned by the provisions of this chapter which affect the retirement system, the ~~((public employees' retirement board))~~ director of retirement systems shall, within thirty days of the date upon which any affected employee elects to take advantage of the retirement provisions of this chapter, determine the increased present and future cost to the retirement system of such employee's election. Upon the determination of the amount necessary to offset ~~((said))~~ the increased cost, the ~~((retirement board))~~ director of retirement systems shall bill the department of ~~((personnel))~~ enterprise services for the amount of the increased cost: PROVIDED, That such billing shall not exceed eight hundred sixty-one thousand dollars. Such billing shall be paid by the department as, and the same shall be, a proper charge against any moneys available or appropriated to the department for this purpose.

Sec. 459. RCW 43.131.090 and 2002 c 354 s 230 are each amended to read as follows:

Unless the legislature specifies a shorter period of time, a terminated entity shall continue in existence until June 30th of the next succeeding year for the purpose of concluding its affairs: PROVIDED, That the powers and authority of the entity shall not be reduced or otherwise limited during this period. Unless otherwise provided:

(1) All employees of terminated entities classified under chapter 41.06 RCW, the state civil service law, shall be transferred as appropriate or as otherwise provided in the procedures adopted by the human resources director (~~(of personnel)~~) pursuant to RCW 41.06.150;

(2) All documents and papers, equipment, or other tangible property in the possession of the terminated entity shall be delivered to the custody of the entity assuming the responsibilities of the terminated entity or if such responsibilities have been eliminated, documents and papers shall be delivered to the state archivist and equipment or other tangible property to the department of (~~general administration~~) enterprise services;

(3) All funds held by, or other moneys due to, the terminated entity shall revert to the fund from which they were appropriated, or if that fund is abolished to the general fund;

(4) Notwithstanding the provisions of RCW 34.05.020, all rules made by a terminated entity shall be repealed, without further action by the entity, at the end of the period provided in this section, unless assumed and reaffirmed by the entity assuming the related legal responsibilities of the terminated entity;

(5) All contractual rights and duties of an entity shall be assigned or delegated to the entity assuming the responsibilities of the terminated entity, or if there is none to such entity as the governor shall direct.

Sec. 460. RCW 48.37.060 and 2008 c 100 s 2 are each amended to read as follows:

(1) When the commissioner determines that other market conduct actions identified in RCW 48.37.040(4)(a) have not sufficiently addressed issues raised concerning company activities in Washington state, the commissioner has the discretion to conduct market conduct examinations in accordance with the NAIC market conduct uniform examination procedures and the NAIC market regulation handbook.

(2)(a) In lieu of an examination of an insurer licensed in this state, the commissioner shall accept an examination report of another state, unless the commissioner determines that the other state does not have laws substantially similar to those of this state, or does not have a market oversight system that is comparable to the market conduct oversight system set forth in this law.

(b) The commissioner's determination under (a) of this subsection is discretionary with the commissioner and is not subject to appeal.

(c) If the insurer to be examined is part of an insurance holding company system, the commissioner may also seek to simultaneously examine any affiliates of the insurer under common control and management which are licensed to write the same lines of business in this state.

(3) Before commencement of a market conduct examination, market conduct oversight personnel shall prepare a work plan consisting of the following:

- (a) The name and address of the insurer being examined;
- (b) The name and contact information of the examiner-in-charge;
- (c) The name of all market conduct oversight personnel initially assigned to the market conduct examination;
- (d) The justification for the examination;
- (e) The scope of the examination;
- (f) The date the examination is scheduled to begin;
- (g) Notice of any noninsurance department personnel who will assist in the examination;
- (h) A time estimate for the examination;
- (i) A budget for the examination if the cost of the examination is billed to the insurer; and
- (j) An identification of factors that will be included in the billing if the cost of the examination is billed to the insurer.

(4)(a) Within ten days of the receipt of the information contained in subsection (3) of this section, insurers may request the commissioner's discretionary review of any alleged conflict of interest, pursuant to RCW 48.37.090(2), of market conduct oversight

personnel and noninsurance department personnel assigned to a market conduct examination. The request for review shall specifically describe the alleged conflict of interest in the proposed assignment of any person to the examination.

(b) Within five business days of receiving a request for discretionary review of any alleged conflict of interest in the proposed assignment of any person to a market conduct examination, the commissioner or designee shall notify the insurer of any action regarding the assignment of personnel to a market conduct examination based on the insurer's allegation of conflict of interest.

(5) Market conduct examinations shall, to the extent feasible, use desk examinations and data requests before an on-site examination.

(6) Market conduct examinations shall be conducted in accordance with the provisions set forth in the NAIC market regulation handbook and the NAIC market conduct uniform examinations procedures, subject to the precedence of the provisions of chapter 82, Laws of 2007.

(7) The commissioner shall use the NAIC standard data request.

(8) Announcement of the examination shall be sent to the insurer and posted on the NAIC's examination tracking system as soon as possible but in no case later than sixty days before the estimated commencement of the examination, except where the examination is conducted in response to extraordinary circumstances as described in RCW 48.37.050(2)(a). The announcement sent to the insurer shall contain the examination work plan and a request for the insurer to name its examination coordinator.

(9) If an examination is expanded significantly beyond the original reasons provided to the insurer in the notice of the examination required by subsection (3) of this section, the commissioner shall provide written notice to the insurer, explaining the expansion and reasons for the expansion. The commissioner shall provide a revised work plan if the expansion results in significant changes to the items presented in the original work plan required by subsection (3) of this section.

(10) The commissioner shall conduct a preexamination conference with the insurer examination coordinator and key personnel to clarify expectations at least thirty days before commencement of the examination, unless otherwise agreed by the insurer and the commissioner.

(11) Before the conclusion of the field work for market conduct examination, the examiner-in-charge shall review examination findings to date with insurer personnel and schedule an exit conference with the insurer, in accordance with procedures in the NAIC market regulation handbook.

(12)(a) No later than sixty days after completion of each market conduct examination, the commissioner shall make a full written report of each market conduct examination containing only facts ascertained from the accounts, records, and documents examined and from the sworn testimony of individuals, and such conclusions and recommendations as may reasonably be warranted from such facts.

(b) The report shall be certified by the commissioner or by the examiner-in-charge of the examination, and shall be filed in the commissioner's office subject to (c) of this subsection.

(c) The commissioner shall furnish a copy of the market conduct examination report to the person examined not less than ten days and, unless the time is extended by the commissioner, not more than thirty days prior to the filing of the report for public inspection in the commissioner's office. If the person so requests in writing within such period, the commissioner shall hold a hearing to consider objections of such person to the report as proposed, and shall not so file the report until after such hearing and until after any modifications in the report deemed necessary by the commissioner have been made.

(d) Within thirty days of the end of the period described in (c) of this subsection, unless extended by order of the commissioner, the commissioner shall consider the report, together with any written

submissions or rebuttals and any relevant portions of the examiner's work papers and enter an order:

(i) Adopting the market conduct examination report as filed or with modification or corrections. If the market conduct examination report reveals that the company is operating in violation of any law, rule, or order of the commissioner, the commissioner may order the company to take any action the commissioner considers necessary and appropriate to cure that violation;

(ii) Rejecting the market conduct examination report with directions to the examiners to reopen the examination for purposes of obtaining additional data, documentation, or information, and refile under this subsection; or

(iii) Calling for an investigatory hearing with no less than twenty days' notice to the company for purposes of obtaining additional documentation, data, information, and testimony.

(e) All orders entered under (d) of this subsection must be accompanied by findings and conclusions resulting from the commissioner's consideration and review of the market conduct examination report, relevant examiner work papers, and any written submissions or rebuttals. The order is considered a final administrative decision and may be appealed under the administrative procedure act, chapter 34.05 RCW, and must be served upon the company by certified mail or certifiable electronic means, together with a copy of the adopted examination report. A copy of the adopted examination report must be sent by certified mail or certifiable electronic means to each director at the director's residential address or to a personal e-mail account.

(f)(i) Upon the adoption of the market conduct examination report under (d) of this subsection, the commissioner shall continue to hold the content of the examination report as private and confidential information for a period of five days except that the order may be disclosed to the person examined. Thereafter, the commissioner may open the report for public inspection so long as no court of competent jurisdiction has stayed its publication.

(ii) If the commissioner determines that regulatory action is appropriate as a result of any market conduct examination, he or she may initiate any proceedings or actions as provided by law.

(iii) Nothing contained in this subsection requires the commissioner to disclose any information or records that would indicate or show the existence or content of any investigation or activity of a criminal justice agency.

(g) The insurer's response shall be included in the commissioner's order adopting the final report as an exhibit to the order. The insurer is not obligated to submit a response.

(13) The commissioner may withhold from public inspection any examination or investigation report for so long as he or she deems it advisable.

(14)(a) Market conduct examinations within this state of any insurer domiciled or having its home offices in this state, other than a title insurer, made by the commissioner or the commissioner's examiners and employees shall, except as to fees, mileage, and expense incurred as to witnesses, be at the expense of the state.

(b) Every other examination, whatsoever, or any part of the market conduct examination of any person domiciled or having its home offices in this state requiring travel and services outside this state, shall be made by the commissioner or by examiners designated by the commissioner and shall be at the expense of the person examined; but a domestic insurer shall not be liable for the compensation of examiners employed by the commissioner for such services outside this state.

(c) When making a market conduct examination under this chapter, the commissioner may contract, in accordance with applicable state contracting procedures, for qualified attorneys, appraisers, independent certified public accountants, contract actuaries, and other similar individuals who are independently practicing their professions, even though those persons may from

time to time be similarly employed or retained by persons subject to examination under this chapter, as examiners as the commissioner deems necessary for the efficient conduct of a particular examination. The compensation and per diem allowances paid to such contract persons shall be reasonable in the market and time incurred, shall not exceed one hundred twenty-five percent of the compensation and per diem allowances for examiners set forth in the guidelines adopted by the national association of insurance commissioners, unless the commissioner demonstrates that one hundred twenty-five percent is inadequate under the circumstances of the examination, and subject to the provisions of (a) of this subsection.

(d)(i) The person examined and liable shall reimburse the state upon presentation of an itemized statement thereof, for the actual travel expenses of the commissioner's examiners, their reasonable living expenses allowance, and their per diem compensation, including salary and the employer's cost of employee benefits, at a reasonable rate approved by the commissioner, incurred on account of the examination. Per diem, salary, and expenses for employees examining insurers domiciled outside the state of Washington shall be established by the commissioner on the basis of the national association of insurance commissioner's recommended salary and expense schedule for zone examiners, or the salary schedule established by the human resources director (~~(of the Washington department of personnel)~~) and the expense schedule established by the office of financial management, whichever is higher. A domestic title insurer shall pay the examination expense and costs to the commissioner as itemized and billed by the commissioner.

(ii) The commissioner or the commissioner's examiners shall not receive or accept any additional emolument on account of any examination.

(iii) Market conduct examination fees subject to being reimbursed by an insurer shall be itemized and bills shall be provided to the insurer on a monthly basis for review prior to submission for payment, or as otherwise provided by state law.

(e) Nothing contained in this chapter limits the commissioner's authority to terminate or suspend any examination in order to pursue other legal or regulatory action under the insurance laws of this state. Findings of fact and conclusions made pursuant to any examination are prima facie evidence in any legal or regulatory action.

(f) The commissioner shall maintain active management and oversight of market conduct examination costs, including costs associated with the commissioner's own examiners, and with retaining qualified contract examiners necessary to perform an examination. Any agreement with a contract examiner shall:

(i) Clearly identify the types of functions to be subject to outsourcing;

(ii) Provide specific timelines for completion of the outsourced review;

(iii) Require disclosure to the insurer of contract examiners' recommendations;

(iv) Establish and use a dispute resolution or arbitration mechanism to resolve conflicts with insurers regarding examination fees; and

(v) Require disclosure of the terms of the contracts with the outside consultants that will be used, specifically the fees and/or hourly rates that can be charged.

(g) The commissioner, or the commissioner's designee, shall review and affirmatively endorse detailed billings from the qualified contract examiner before the detailed billings are sent to the insurer.

Sec. 461. RCW 49.46.010 and 2010 c 160 s 2 and 2010 c 8 s 12040 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Director" means the director of labor and industries;

(2) "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to

such deductions, charges, or allowances as may be permitted by rules of the director;

(3) "Employ" includes to permit to work;

(4) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee;

(5) "Employee" includes any individual employed by an employer but shall not include:

(a) Any individual (i) employed as a hand harvest laborer and paid on a piece rate basis in an operation which has been, and is generally and customarily recognized as having been, paid on a piece rate basis in the region of employment; (ii) who commutes daily from his or her permanent residence to the farm on which he or she is employed; and (iii) who has been employed in agriculture less than thirteen weeks during the preceding calendar year;

(b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;

(c) Any individual employed in a bona fide executive, administrative, or professional capacity or in the capacity of outside salesperson as those terms are defined and delimited by rules of the director. However, those terms shall be defined and delimited by the human resources director (~~(of personnel)~~) pursuant to chapter 41.06 RCW for employees employed under the director of personnel's jurisdiction;

(d) Any individual engaged in the activities of an educational, charitable, religious, state or local governmental body or agency, or nonprofit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such organizations gratuitously. If the individual receives reimbursement in lieu of compensation for normally incurred out-of-pocket expenses or receives a nominal amount of compensation per unit of voluntary service rendered, an employer-employee relationship is deemed not to exist for the purpose of this section or for purposes of membership or qualification in any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

(e) Any individual employed full time by any state or local governmental body or agency who provides voluntary services but only with regard to the provision of the voluntary services. The voluntary services and any compensation therefor shall not affect or add to qualification, entitlement, or benefit rights under any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

(f) Any newspaper vendor or carrier;

(g) Any carrier subject to regulation by Part 1 of the Interstate Commerce Act;

(h) Any individual engaged in forest protection and fire prevention activities;

(i) Any individual employed by any charitable institution charged with child care responsibilities engaged primarily in the development of character or citizenship or promoting health or physical fitness or providing or sponsoring recreational opportunities or facilities for young people or members of the armed forces of the United States;

(j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;

(k) Any resident, inmate, or patient of a state, county, or municipal correctional, detention, treatment or rehabilitative institution;

(l) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;

(m) All vessel operating crews of the Washington state ferries operated by the department of transportation;

(n) Any individual employed as a seaman on a vessel other than an American vessel;

(o) Any farm intern providing his or her services to a small farm which has a special certificate issued under RCW 49.12.465;

(6) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employees are gainfully employed;

(7) "Retail or service establishment" means an establishment seventy-five percent of whose annual dollar volume of sales of goods or services, or both, is not for resale and is recognized as retail sales or services in the particular industry.

Sec. 462. RCW 49.46.010 and 2010 c 8 s 12040 are each amended to read as follows:

As used in this chapter:

(1) "Director" means the director of labor and industries;

(2) "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by rules of the director;

(3) "Employ" includes to permit to work;

(4) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee;

(5) "Employee" includes any individual employed by an employer but shall not include:

(a) Any individual (i) employed as a hand harvest laborer and paid on a piece rate basis in an operation which has been, and is generally and customarily recognized as having been, paid on a piece rate basis in the region of employment; (ii) who commutes daily from his or her permanent residence to the farm on which he or she is employed; and (iii) who has been employed in agriculture less than thirteen weeks during the preceding calendar year;

(b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;

(c) Any individual employed in a bona fide executive, administrative, or professional capacity or in the capacity of outside salesperson as those terms are defined and delimited by rules of the director. However, those terms shall be defined and delimited by the human resources director (~~(of personnel)~~) pursuant to chapter 41.06 RCW for employees employed under the director of personnel's jurisdiction;

(d) Any individual engaged in the activities of an educational, charitable, religious, state or local governmental body or agency, or nonprofit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such organizations gratuitously. If the individual receives reimbursement in lieu of compensation for normally incurred out-of-pocket expenses or receives a nominal amount of compensation per unit of voluntary service rendered, an employer-employee relationship is deemed not to exist for the purpose of this section or for purposes of membership or qualification in any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

(e) Any individual employed full time by any state or local governmental body or agency who provides voluntary services but only with regard to the provision of the voluntary services. The voluntary services and any compensation therefor shall not affect or add to qualification, entitlement, or benefit rights under any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

(f) Any newspaper vendor or carrier;

(g) Any carrier subject to regulation by Part 1 of the Interstate Commerce Act;

(h) Any individual engaged in forest protection and fire prevention activities;

(i) Any individual employed by any charitable institution charged with child care responsibilities engaged primarily in the development of character or citizenship or promoting health or physical fitness or providing or sponsoring recreational opportunities or facilities for young people or members of the armed forces of the United States;

(j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;

(k) Any resident, inmate, or patient of a state, county, or municipal correctional, detention, treatment or rehabilitative institution;

(l) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;

(m) All vessel operating crews of the Washington state ferries operated by the department of transportation;

(n) Any individual employed as a seaman on a vessel other than an American vessel;

(6) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employees are gainfully employed;

(7) "Retail or service establishment" means an establishment seventy-five percent of whose annual dollar volume of sales of goods or services, or both, is not for resale and is recognized as retail sales or services in the particular industry.

Sec. 463. RCW 49.74.020 and 1993 c 281 s 57 are each amended to read as follows:

If the commission reasonably believes that a state agency, an institution of higher education, or the state patrol has failed to comply with an affirmative action rule adopted under RCW 41.06.150 or 43.43.340, the commission shall notify the director of the state agency, president of the institution of higher education, or chief of the Washington state patrol of the noncompliance, as well as the human resources director (~~(of personnel)~~). The commission shall give the director of the state agency, president of the institution of higher education, or chief of the Washington state patrol an opportunity to be heard on the failure to comply.

Sec. 464. RCW 49.74.030 and 2002 c 354 s 246 are each amended to read as follows:

The commission in conjunction with the department of (~~personnel~~) enterprise services, the office of financial management, or the state patrol, whichever is appropriate, shall attempt to resolve the noncompliance through conciliation. If an agreement is reached for the elimination of noncompliance, the agreement shall be reduced to writing and an order shall be issued by the commission setting forth the terms of the agreement. The noncomplying state agency, institution of higher education, or state patrol shall make a good faith effort to conciliate and make a full commitment to correct the noncompliance with any action that may be necessary to achieve compliance, provided such action is not inconsistent with the rules adopted under RCW 41.06.150(~~(6))~~(5) and 43.43.340(5), whichever is appropriate.

Sec. 465. RCW 49.90.010 and 2009 c 294 s 5 are each amended to read as follows:

(1) Within this section, "sensory disability" means a sensory condition that materially limits, contributes to limiting, or, if not corrected or accommodated, will probably result in limiting an individual's activities or functioning.

(2) The (~~department of personnel~~) office of financial management shall adopt rules that authorize state agencies to provide

allowances to employees with sensory disabilities who must attend training necessary to attain a new service animal. The employee's absence must be treated in the same manner as that granted to employees who are absent to attend training that supports or improves their job performance, except that the employee shall not be eligible for reimbursement under RCW 43.03.050 or 43.03.060. The (~~department of personnel~~) office of financial management shall adopt rules as necessary to implement this chapter.

(3) If the necessity to attend training for a new service animal is foreseeable and the training will cause the employee to miss work, the employee shall provide the employer with not less than thirty days' notice, before the date the absence is to begin, of the employee's impending absence. If the date of the training requires the absence to begin in less than thirty days, the employee shall provide notice as is practicable.

(4) An agency may require that a request to attend service animal training be supported by a certification issued by the relevant training organization. The employee must provide, in a timely manner, a copy of the certification to the agency. Certification provided under this section is sufficient if it states: (a) The date on which the service animal training session is scheduled to commence; and (b) the session's duration.

Sec. 466. RCW 50.13.060 and 2008 c 120 s 6 are each amended to read as follows:

(1) Governmental agencies, including law enforcement agencies, prosecuting agencies, and the executive branch, whether state, local, or federal shall have access to information or records deemed private and confidential under this chapter if the information or records are needed by the agency for official purposes and:

(a) The agency submits an application in writing to the employment security department for the records or information containing a statement of the official purposes for which the information or records are needed and specific identification of the records or information sought from the department; and

(b) The director, commissioner, chief executive, or other official of the agency has verified the need for the specific information in writing either on the application or on a separate document; and

(c) The agency requesting access has served a copy of the application for records or information on the individual or employing unit whose records or information are sought and has provided the department with proof of service. Service shall be made in a manner which conforms to the civil rules for superior court. The requesting agency shall include with the copy of the application a statement to the effect that the individual or employing unit may contact the public records officer of the employment security department to state any objections to the release of the records or information. The employment security department shall not act upon the application of the requesting agency until at least five days after service on the concerned individual or employing unit. The employment security department shall consider any objections raised by the concerned individual or employing unit in deciding whether the requesting agency needs the information or records for official purposes.

(2) The requirements of subsections (1) and (9) of this section shall not apply to the state legislative branch. The state legislature shall have access to information or records deemed private and confidential under this chapter, if the legislature or a legislative committee finds that the information or records are necessary and for official purposes. If the employment security department does not make information or records available as provided in this subsection, the legislature may exercise its authority granted by chapter 44.16 RCW.

(3) In cases of emergency the governmental agency requesting access shall not be required to formally comply with the provisions of subsection (1) of this section at the time of the request if the procedures required by subsection (1) of this section are complied with by the requesting agency following the receipt of any records or

information deemed private and confidential under this chapter. An emergency is defined as a situation in which irreparable harm or damage could occur if records or information are not released immediately.

(4) The requirements of subsection (1)(c) of this section shall not apply to governmental agencies where the procedures would frustrate the investigation of possible violations of criminal laws or to the release of employing unit names, addresses, number of employees, and aggregate employer wage data for the purpose of state governmental agencies preparing small business economic impact statements under chapter 19.85 RCW or preparing cost-benefit analyses under RCW 34.05.328(1) (c) and (d). Information provided by the department and held to be private and confidential under state or federal laws must not be misused or released to unauthorized parties. A person who misuses such information or releases such information to unauthorized parties is subject to the sanctions in RCW 50.13.080.

(5) Governmental agencies shall have access to certain records or information, limited to such items as names, addresses, social security numbers, and general information about benefit entitlement or employer information possessed by the department, for comparison purposes with records or information possessed by the requesting agency to detect improper or fraudulent claims, or to determine potential tax liability or employer compliance with registration and licensing requirements. In those cases the governmental agency shall not be required to comply with subsection (1)(c) of this section, but the requirements of the remainder of subsection (1) of this section must be satisfied.

(6) Governmental agencies may have access to certain records and information, limited to employer information possessed by the department for purposes authorized in chapter 50.38 RCW. Access to these records and information is limited to only those individuals conducting authorized statistical analysis, research, and evaluation studies. Only in cases consistent with the purposes of chapter 50.38 RCW are government agencies not required to comply with subsection (1)(c) of this section, but the requirements of the remainder of subsection (1) of this section must be satisfied. Information provided by the department and held to be private and confidential under state or federal laws shall not be misused or released to unauthorized parties subject to the sanctions in RCW 50.13.080.

(7) Disclosure to governmental agencies of information or records obtained by the employment security department from the federal government shall be governed by any applicable federal law or any agreement between the federal government and the employment security department where so required by federal law. When federal law does not apply to the records or information state law shall control.

(8) The department may provide information for purposes of statistical analysis and evaluation of the WorkFirst program or any successor state welfare program to the department of social and health services, the office of financial management, and other governmental entities with oversight or evaluation responsibilities for the program in accordance with RCW 43.20A.080. The confidential information provided by the department shall remain the property of the department and may be used by the authorized requesting agencies only for statistical analysis, research, and evaluation purposes as provided in RCW 74.08A.410 and 74.08A.420. The department of social and health services, the office of financial management, or other governmental entities with oversight or evaluation responsibilities for the program are not required to comply with subsection (1)(c) of this section, but the requirements of the remainder of subsection (1) of this section and applicable federal laws and regulations must be satisfied. The confidential information used for evaluation and analysis of welfare reform supplied to the authorized requesting entities with regard to the WorkFirst program or any

successor state welfare program are exempt from public inspection and copying under chapter 42.56 RCW.

(9) The disclosure of any records or information by a governmental agency which has obtained the records or information under this section is prohibited unless the disclosure is (a) directly connected to the official purpose for which the records or information were obtained or (b) to another governmental agency which would be permitted to obtain the records or information under subsection (4) or (5) of this section.

(10) In conducting periodic salary or fringe benefit studies pursuant to law, the ~~((department of personnel))~~ office of financial management shall have access to records of the employment security department as may be required for such studies. For such purposes, the requirements of subsection (1)(c) of this section need not apply.

(11)(a) To promote the reemployment of job seekers, the commissioner may enter into data-sharing contracts with partners of the one-stop career development system. The contracts shall provide for the transfer of data only to the extent that the transfer is necessary for the efficient provisions of workforce programs, including but not limited to public labor exchange, unemployment insurance, worker training and retraining, vocational rehabilitation, vocational education, adult education, transition from public assistance, and support services. The transfer of information under contracts with one-stop partners is exempt from subsection (1)(c) of this section.

(b) An individual who applies for services from the department and whose information will be shared under (a) of this subsection (11) must be notified that his or her private and confidential information in the department's records will be shared among the one-stop partners to facilitate the delivery of one-stop services to the individual. The notice must advise the individual that he or she may request that private and confidential information not be shared among the one-stop partners and the department must honor the request. In addition, the notice must:

(i) Advise the individual that if he or she requests that private and confidential information not be shared among one-stop partners, the request will in no way affect eligibility for services;

(ii) Describe the nature of the information to be shared, the general use of the information by one-stop partner representatives, and among whom the information will be shared;

(iii) Inform the individual that shared information will be used only for the purpose of delivering one-stop services and that further disclosure of the information is prohibited under contract and is not subject to disclosure under chapter 42.56 RCW; and

(iv) Be provided in English and an alternative language selected by the one-stop center or job service center as appropriate for the community where the center is located.

If the notice is provided in-person, the individual who does not want private and confidential information shared among the one-stop partners must immediately advise the one-stop partner representative of that decision. The notice must be provided to an individual who applies for services telephonically, electronically, or by mail, in a suitable format and within a reasonable time after applying for services, which shall be no later than ten working days from the department's receipt of the application for services. A one-stop representative must be available to answer specific questions regarding the nature, extent, and purpose for which the information may be shared.

(12) To facilitate improved operation and evaluation of state programs, the commissioner may enter into data-sharing contracts with other state agencies only to the extent that such transfer is necessary for the efficient operation or evaluation of outcomes for those programs. The transfer of information by contract under this subsection is exempt from subsection (1)(c) of this section.

(13) The misuse or unauthorized release of records or information by any person or organization to which access is permitted by this chapter subjects the person or organization to a civil penalty of five

thousand dollars and other applicable sanctions under state and federal law. Suit to enforce this section shall be brought by the attorney general and the amount of any penalties collected shall be paid into the employment security department administrative contingency fund. The attorney general may recover reasonable attorneys' fees for any action brought to enforce this section.

Sec. 467. RCW 28A.345.060 and 1986 c 158 s 3 are each amended to read as follows:

The association shall contract with the ~~((department of personnel for the department of personnel))~~ human resources director in the office of financial management to audit in odd-numbered years the association's staff classifications and employees' salaries. The association shall give copies of the audit reports to the office of financial management and the committees of each house of the legislature dealing with common schools.

Sec. 468. RCW 28A.400.201 and 2010 c 236 s 7 are each amended to read as follows:

(1) The legislature recognizes that providing students with the opportunity to access a world-class educational system depends on our continuing ability to provide students with access to world-class educators. The legislature also understands that continuing to attract and retain the highest quality educators will require increased investments. The legislature intends to enhance the current salary allocation model and recognizes that changes to the current model cannot be imposed without great deliberation and input from teachers, administrators, and classified employees. Therefore, it is the intent of the legislature to begin the process of developing an enhanced salary allocation model that is collaboratively designed to ensure the rationality of any conclusions regarding what constitutes adequate compensation.

(2) Beginning July 1, 2011, the office of the superintendent of public instruction, in collaboration with the human resources director in the office of financial management, shall convene a technical working group to recommend the details of an enhanced salary allocation model that aligns state expectations for educator development and certification with the compensation system and establishes recommendations for a concurrent implementation schedule. In addition to any other details the technical working group deems necessary, the technical working group shall make recommendations on the following:

- (a) How to reduce the number of tiers within the existing salary allocation model;
- (b) How to account for labor market adjustments;
- (c) How to account for different geographic regions of the state where districts may encounter difficulty recruiting and retaining teachers;
- (d) The role of and types of bonuses available;
- (e) Ways to accomplish salary equalization over a set number of years; and
- (f) Initial fiscal estimates for implementing the recommendations including a recognition that staff on the existing salary allocation model would have the option to grandfather in permanently to the existing schedule.

(3) As part of its work, the technical working group shall conduct or contract for a preliminary comparative labor market analysis of salaries and other compensation for school district employees to be conducted and shall include the results in any reports to the legislature. For the purposes of this subsection, "salaries and other compensation" includes average base salaries, average total salaries, average employee basic benefits, and retirement benefits.

(4) The analysis required under subsection (1) of this section must:

- (a) Examine salaries and other compensation for teachers, other certificated instructional staff, principals, and other building-level certificated administrators, and the types of classified employees for whom salaries are allocated;

(b) Be calculated at a statewide level that identifies labor markets in Washington through the use of data from the United States bureau of the census and the bureau of labor statistics; and

(c) Include a comparison of salaries and other compensation to the appropriate labor market for at least the following subgroups of educators: Beginning teachers and types of educational staff associates.

(5) The working group shall include representatives of the ~~((department of personnel))~~ office of financial management, the professional educator standards board, the office of the superintendent of public instruction, the Washington education association, the Washington association of school administrators, the association of Washington school principals, the Washington state school directors' association, the public school employees of Washington, and other interested stakeholders with appropriate expertise in compensation related matters. The working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(6) The working group shall be monitored and overseen by the legislature and the quality education council created in RCW 28A.290.010. The working group shall make an initial report to the legislature by June 30, 2012, and shall include in its report recommendations for whether additional further work of the group is necessary.

Sec. 469. RCW 34.12.100 and 2010 1st sp.s. c 7 s 3 are each amended to read as follows:

The chief administrative law judge shall be paid a salary fixed by the governor after recommendation of the ~~((department of personnel))~~ human resources director in the office of financial management. The salaries of administrative law judges appointed under the terms of this chapter shall be determined by the chief administrative law judge after recommendation of the department of personnel.

Sec. 470. RCW 36.21.011 and 1995 c 134 s 12 are each amended to read as follows:

Any assessor who deems it necessary in order to complete the listing and the valuation of the property of the county within the time prescribed by law, (1) may appoint one or more well qualified persons to act as assistants or deputies who shall not engage in the private practice of appraising within the county in which he or she is employed without the written permission of the assessor filed with the auditor; and each such assistant or deputy so appointed shall, under the direction of the assessor, after taking the required oath, perform all the duties enjoined upon, vested in or imposed upon assessors, and (2) may contract with any persons, firms or corporations, who are expert appraisers, to assist in the valuation of property.

To assist each assessor in obtaining adequate and well qualified assistants or deputies, the ~~((state department of personnel))~~ office of financial management, after consultation with the Washington state association of county assessors, the Washington state association of counties, and the department of revenue, shall establish by July 1, 1967, and shall thereafter maintain, a classification and salary plan for those employees of an assessor who act as appraisers. The plan shall recommend the salary range and employment qualifications for each position encompassed by it, and shall, to the fullest extent practicable, conform to the classification plan, salary schedules and employment qualifications for state employees performing similar appraisal functions.

An assessor who intends to put such plan into effect shall inform the department of revenue and the county legislative authority of this intent in writing. The department of revenue and the county legislative authority may thereupon each designate a representative, and such representative or representatives as may be designated by the department of revenue or the county legislative authority, or both, shall form with the assessor a committee. The committee so formed may, by unanimous vote only, determine the required number of certified appraiser positions and their salaries necessary to enable the

assessor to carry out the requirements relating to revaluation of property in chapter 84.41 RCW. The determination of the committee shall be certified to the county legislative authority. The committee may be formed only once in a period of four calendar years.

After such determination, the assessor may provide, in each of the four next succeeding annual budget estimates, for as many positions as are established in such determination. Each county legislative authority to which such a budget estimate is submitted shall allow sufficient funds for such positions. An employee may be appointed to a position covered by the plan only if the employee meets the employment qualifications established by the plan.

Sec. 471. RCW 41.04.020 and 1998 c 116 s 1 are each amended to read as follows:

Any employee or group of employees of the state of Washington or any of its political subdivisions, or of any institution supported, in whole or in part, by the state or any of its political subdivisions, may authorize the deduction from his or her salaries or wages and payment to another, the amount or amounts of his or her subscription payments or contributions to any person, firm, or corporation administering, furnishing, or providing (1) medical, surgical, and hospital care or either of them, or (2) life insurance or accident and health disability insurance, or (3) any individual retirement account selected by the employee or the employee's spouse established under applicable state or federal law: PROVIDED, That such authorization by said employee or group of employees, shall be first approved by the head of the department, division office or institution of the state or any political subdivision thereof, employing such person or group of persons, and filed with the department of ~~((personnel))~~ enterprise services; or in the case of political subdivisions of the state of Washington, with the auditor of such political subdivision or the person authorized by law to draw warrants against the funds of said political subdivision.

Sec. 472. RCW 41.04.460 and 1992 c 234 s 10 are each amended to read as follows:

The department of ~~((personnel))~~ enterprise services, through the combined benefits communication project, shall prepare information encouraging individual financial planning for retirement and describing the potential consequences of early retirement, including members' assumption of health insurance costs, members' receipt of reduced retirement benefits, and the increased period of time before members will become eligible for cost-of-living adjustments. The department of retirement systems shall distribute the information to members who are eligible to retire under the provisions of chapter 234, Laws of 1992. Prior to retiring, such members who elect to retire shall sign a statement acknowledging their receipt and understanding of the information.

Sec. 473. RCW 41.60.050 and 1991 sp.s. c 16 s 918 are each amended to read as follows:

The legislature shall appropriate from the ~~((department of))~~ personnel service fund for the payment of administrative costs of the productivity board. However, during the 1991-93 fiscal biennium, the administrative costs of the productivity board shall be appropriated from the savings recovery account.

Sec. 474. RCW 41.68.030 and 1983 1st ex.s. c 15 s 3 are each amended to read as follows:

A claim under this chapter may be submitted to the department of ~~((personnel))~~ enterprise services for the reparation of salary losses suffered during the years 1942 through 1947. The claim shall be supported by appropriate verification, such as the person's name at the time of the dismissal, the name of the employing department, and a social security number, or by evidence of official action of termination. The claimant shall also provide an address to which the department shall mail notification of its determination regarding the claimant's eligibility.

Sec. 475. RCW 41.68.040 and 1983 1st ex.s. c 15 s 4 are each amended to read as follows:

(1) The department of ~~((personnel))~~ enterprise services shall determine the eligibility of a claimant to receive reparations authorized by this chapter. The department shall then notify the claimant by mail of its determination regarding the claimant's eligibility.

(2) The department may adopt rules that will assist in the fair determination of eligibility and the processing of claims. The department, however, has no obligation to directly notify any person of possible eligibility for reparation of salary losses under this chapter.

Sec. 476. RCW 41.68.050 and 1983 1st ex.s. c 15 s 5 are each amended to read as follows:

A claimant under this chapter who is determined eligible by the department of ~~((personnel))~~ enterprise services shall receive two thousand five hundred dollars each year for two years. All claims which the department determines are eligible for reparation shall be immediately forwarded to the state treasurer, who shall issue warrants in the appropriate amounts upon demand and verification of identity. If a claimant dies after filing a claim but before receiving full payment, payments shall be made to the claimant's estate upon demand and verification of identity.

Sec. 477. RCW 47.28.251 and 2003 c 363 s 103 are each amended to read as follows:

(1) The department of transportation shall work with representatives of transportation labor groups to develop a financial incentive program to aid in retention and recruitment of employee classifications where problems exist and program delivery is negatively affected. The department's financial incentive program must be reviewed and approved by the legislature before it can be implemented. This program must support the goal of enhancing project delivery timelines as outlined in section 101, chapter 363, Laws of 2003. Upon receiving approval from the legislature, the ~~((department of personnel))~~ office of financial management shall implement, as required, specific aspects of the financial incentive package, as developed by the department of transportation.

(2) Notwithstanding chapter 41.06 RCW, the department of transportation may acquire services from qualified private firms in order to deliver the transportation construction program to the public. Services may be acquired solely for augmenting the department's workforce capacity and only when the department's transportation construction program cannot be delivered through its existing or readily available workforce. The department of transportation shall work with representatives of transportation labor groups to develop and implement a program identifying those projects requiring contracted services while establishing a program as defined in subsection (1) of this section to provide the classified personnel necessary to deliver future construction programs. The procedures for acquiring construction engineering services from private firms may not be used to displace existing state employees nor diminish the number of existing classified positions in the present construction program. The acquisition procedures must be in accordance with chapter 39.80 RCW.

(3) Starting in December 2004, and biennially thereafter, the secretary shall report to the transportation committees of the legislature on the use of construction engineering services from private firms authorized under this section. The information provided to the committees must include an assessment of the benefits and costs associated with using construction engineering services, or other services, from private firms, and a comparison of public versus private sector costs. The secretary may act on these findings to ensure the most cost-effective means of service delivery.

NEW SECTION. Sec. 478. The following acts or parts of acts are each repealed:

(1) RCW 41.06.030 (Department of personnel established) and 2002 c 354 s 201, 1993 c 281 s 20, & 1961 c 1 s 3;

(2) RCW 41.06.111 (Personnel appeals board abolished--Powers, duties, and functions transferred to the Washington personnel resources board) and 2002 c 354 s 233;

(3) RCW 41.06.130 (Director of personnel--Appointment--Rules-- Powers and duties--Delegation of authority) and 1993 c 281 s 26, 1982 1st ex.s. c 53 s 3, & 1961 c 1 s 13;

(4) RCW 41.06.139 (Classification system for classified service--Director implements--Rules of the board--Appeals) and 2002 c 354 s 206;

(5) RCW 41.06.480 (Background check disqualification--Policy recommendations) and 2001 c 296 s 7; and

(6) RCW 41.07.900 (Transfer of personnel, records, equipment, etc) and 1975 1st ex.s. c 239 s 4.

NEW SECTION. Sec. 479. RCW 41.06.136, 43.31.086, 41.80.900, 41.80.901, 41.80.902, 41.80.903, and 41.80.904 are each decodified.

NEW SECTION. Sec. 480. Section 447 of this act expires January 1, 2012.

NEW SECTION. Sec. 481. Section 448 of this act takes effect January 1, 2012.

NEW SECTION. Sec. 482. Section 459 of this act expires June 30, 2015.

NEW SECTION. Sec. 483. Section 461 of this act expires December 31, 2011.

NEW SECTION. Sec. 484. Section 462 of this act takes effect December 31, 2011.

PART V

POWERS AND DUTIES TRANSFERRED FROM THE OFFICE OF FINANCIAL MANAGEMENT

Sec. 501. RCW 43.41.290 and 1977 ex.s. c 270 s 3 are each amended to read as follows:

As used in ((RCW 43.19.19361 and 43.19.19362)) this act:

(1) "State agency" includes any state office, agency, commission, department, or institution, including colleges, universities, and community colleges, financed in whole or part from funds appropriated by the legislature; ~~(and)~~

(2) "Risk management" means the total effort and continuous step by step process of risk identification, measurement, minimization, assumption, transfer, and loss adjustment which is aimed at protecting assets and revenues against accidental loss;

(3) "Department" means the department of enterprise services; and

(4) "Director" means the director of enterprise services.

Sec. 502. RCW 43.41.300 and 2002 c 332 s 7 are each amended to read as follows:

There is hereby created ~~((a))~~ an office of risk management ((division)) within the ~~((office of financial management))~~ department of enterprise services. The director shall implement the risk management policy in RCW 43.41.280 (as recodified by this act) through the office of risk management ((division)). The director shall appoint a risk manager to supervise the office of risk management ((division)). The office of risk management ((division)) shall make recommendations when appropriate to state agencies on the application of prudent safety, security, loss prevention, and loss minimization methods so as to reduce or avoid risk or loss.

Sec. 503. RCW 43.41.310 and 2002 c 332 s 5 are each amended to read as follows:

As a means of providing for the procurement of insurance and bonds on a volume rate basis, the director shall purchase or contract for the needs of state agencies in relation to all such insurance and bonds: PROVIDED, That authority to purchase insurance may be delegated to state agencies. Insurance in force shall be reported to the office of risk management ((division)) periodically under rules established by the director. Nothing contained in this section shall prohibit the use of licensed agents or brokers for the procurement and service of insurance.

The amounts of insurance or bond coverage shall be as fixed by law, or if not fixed by law, such amounts shall be as fixed by the director.

The premium cost for insurance acquired and bonds furnished shall be paid from appropriations or other appropriate resources available to the state agency or agencies for which procurement is made, and all vouchers drawn in payment thereof shall bear the written approval of the office of risk management ((division)) prior to the issuance of the warrant in payment thereof. Where deemed advisable the premium cost for insurance and bonds may be paid by the risk management administration account which shall be reimbursed by the agency or agencies for which procurement is made.

Sec. 504. RCW 43.41.320 and 2002 c 332 s 6 are each amended to read as follows:

The director, through the office of risk management ((division)), may purchase, or contract for the purchase of, property and liability insurance for any municipality upon request of the municipality.

As used in this section, "municipality" means any city, town, county, special purpose district, municipal corporation, or political subdivision of the state of Washington.

Sec. 505. RCW 43.41.330 and 2002 c 332 s 8 are each amended to read as follows:

The director, through the office of risk management ((division)), shall receive and enforce bonds posted pursuant to RCW 39.59.010 (3) and (4).

Sec. 506. RCW 43.41.340 and 2002 c 332 s 9 are each amended to read as follows:

The ~~((office))~~ department shall conduct periodic actuarial studies to determine the amount of money needed to adequately fund the liability account.

Sec. 507. RCW 43.41.360 and 2009 c 549 s 5121 are each amended to read as follows:

((In addition to other powers and duties prescribed by this chapter,)) The director shall:

(1) Fix the amount of bond to be given by each appointive state officer and each employee of the state in all cases where it is not fixed by law;

(2) Require the giving of an additional bond, or a bond in a greater amount than provided by law, in all cases where in his or her judgment the statutory bond is not sufficient in amount to cover the liabilities of the officer or employee;

(3) Exempt subordinate employees from giving bond when in his or her judgment their powers and duties are such as not to require a bond.

Sec. 508. RCW 43.41.370 and 2002 c 333 s 2 are each amended to read as follows:

(1) The director ~~((of financial management))~~ shall appoint a loss prevention review team when the death of a person, serious injury to a person, or other substantial loss is alleged or suspected to be caused at least in part by the actions of a state agency, unless the director in his or her discretion determines that the incident does not merit review. A loss prevention review team may also be appointed when any other substantial loss occurs as a result of agency policies, litigation or defense practices, or other management practices. When the director decides not to appoint a loss prevention review team he or she shall issue a statement of the reasons for the director's decision. The statement shall be made available on the department's web site ~~((of the office of financial management))~~. The director's decision pursuant to this section to appoint or not appoint a loss prevention review team shall not be admitted into evidence in a civil or administrative proceeding.

(2) A loss prevention review team shall consist of at least three but no more than five persons, and may include independent consultants, contractors, or state employees, but it shall not include any person employed by the agency involved in the loss or risk of loss giving rise to the review, nor any person with testimonial knowledge

of the incident to be reviewed. At least one member of the review team shall have expertise relevant to the matter under review.

(3) The loss prevention review team shall review the death, serious injury, or other incident and the circumstances surrounding it, evaluate its causes, and recommend steps to reduce the risk of such incidents occurring in the future. The loss prevention review team shall accomplish these tasks by reviewing relevant documents, interviewing persons with relevant knowledge, and reporting its recommendations in writing to the director (~~(of financial management)~~) and the director of the agency involved in the loss or risk of loss within the time requested by the director (~~(of financial management)~~). The final report shall not disclose the contents of any documents required by law to be kept confidential.

(4) Pursuant to guidelines established by the director, state agencies must notify the (~~(office of financial management)~~) department immediately upon becoming aware of a death, serious injury, or other substantial loss that is alleged or suspected to be caused at least in part by the actions of the state agency. State agencies shall provide the loss prevention review team ready access to relevant documents in their possession and ready access to their employees.

Sec. 509. RCW 43.41.380 and 2002 c 333 s 3 are each amended to read as follows:

(1) The final report from a loss prevention review team to the director (~~(of financial management)~~) shall be made public by the director promptly upon receipt, and shall be subject to public disclosure. The final report shall be subject to discovery in a civil or administrative proceeding. However, the final report shall not be admitted into evidence or otherwise used in a civil or administrative proceeding except pursuant to subsection (2) of this section.

(2) The relevant excerpt or excerpts from the final report of a loss prevention review team may be used to impeach a fact witness in a civil or administrative proceeding only if the party wishing to use the excerpt or excerpts from the report first shows the court by clear and convincing evidence that the witness, in testimony provided in deposition or at trial in the present proceeding, has contradicted his or her previous statements to the loss prevention review team on an issue of fact material to the present proceeding. In that case, the party may use only the excerpt or excerpts necessary to demonstrate the contradiction. This section shall not be interpreted as expanding the scope of material that may be used to impeach a witness.

(3) No member of a loss prevention review team may be examined in a civil or administrative proceeding as to (a) the work of the loss prevention review team, (b) the incident under review, (c) his or her statements, deliberations, thoughts, analyses, or impressions relating to the work of the loss prevention review team or the incident under review, or (d) the statements, deliberations, thoughts, analyses, or impressions of any other member of the loss prevention review team, or any person who provided information to it, relating to the work of the loss prevention review team or the incident under review.

(4) Any document that exists prior to the appointment of a loss prevention review team, or that is created independently of such a team, does not become inadmissible merely because it is reviewed or used by the loss prevention review team. A person does not become unavailable as a witness merely because the person has been interviewed by or has provided a statement to a loss prevention review team. However, if called as a witness, the person may not be examined regarding the person's interactions with the loss prevention review team, including without limitation whether the loss prevention review team interviewed the person, what questions the loss prevention review team asked, and what answers the person provided to the loss prevention review team. This section shall not be construed as restricting the person from testifying fully in any proceeding regarding his or her knowledge of the incident under review.

(5) Documents prepared by or for the loss prevention review team are inadmissible and may not be used in a civil or administrative proceeding, except that excerpts may be used to impeach the credibility of a witness under the same circumstances that excerpts of the final report may be used pursuant to subsection (2) of this section.

(6) The restrictions set forth in this section shall not apply in a licensing or disciplinary proceeding arising from an agency's effort to revoke or suspend the license of any licensed professional based in whole or in part upon allegations of wrongdoing in connection with the death, injury, or other incident reviewed by the loss prevention review team.

(7) Within one hundred twenty days after completion of the final report of a loss prevention review team, the agency under review shall issue to the (~~(office of financial management)~~) department a response to the report. The response will indicate (a) which of the report's recommendations the agency hopes to implement, (b) whether implementation of those recommendations will require additional funding or legislation, and (c) whatever other information the director may require. This response shall be considered part of the final report and shall be subject to all provisions of this section that apply to the final report, including without limitation the restrictions on admissibility and use in civil or administrative proceedings and the obligation of the director to make the final report public.

(8) Nothing in RCW 43.41.370 or this section is intended to limit the scope of a legislative inquiry into or review of an incident that is the subject of a loss prevention review.

(9) Nothing in RCW 43.41.370 or in this section affects chapter 70.41 RCW and application of that chapter to state-owned or managed hospitals licensed under chapter 70.41 RCW.

Sec. 510. RCW 43.41.110 and 2002 c 332 s 23 are each amended to read as follows:

The office of financial management shall:

(1) Provide technical assistance to the governor and the legislature in identifying needs and in planning to meet those needs through state programs and a plan for expenditures.

(2) Perform the comprehensive planning functions and processes necessary or advisable for state program planning and development, preparation of the budget, inter-departmental and inter-governmental coordination and cooperation, and determination of state capital improvement requirements.

(3) Provide assistance and coordination to state agencies and departments in their preparation of plans and programs.

(4) Provide general coordination and review of plans in functional areas of state government as may be necessary for receipt of federal or state funds.

(5) Participate with other states or subdivisions thereof in interstate planning.

(6) Encourage educational and research programs that further planning and provide administrative and technical services therefor.

(7) Carry out the provisions of RCW 43.62.010 through 43.62.050 relating to the state census.

(8) (~~Carry out the provisions of this chapter and chapter 4.92 RCW relating to risk management.~~

~~(9))~~ Be the official state participant in the federal-state cooperative program for local population estimates and as such certify all city and county special censuses to be considered in the allocation of state and federal revenues.

~~((10))~~ (9) Be the official state center for processing and dissemination of federal decennial or quinquennial census data in cooperation with other state agencies.

~~((11))~~ (10) Be the official state agency certifying annexations, incorporations, or disincorporations to the United States bureau of the census.

~~((12))~~ (11) Review all United States bureau of the census population estimates used for federal revenue sharing purposes and provide a liaison for local governments with the United States bureau

of the census in adjusting or correcting revenue sharing population estimates.

~~((13))~~ (12) Provide fiscal notes depicting the expected fiscal impact of proposed legislation in accordance with chapter 43.88A RCW.

~~((14))~~ (13) Be the official state agency to estimate and manage the cash flow of all public funds as provided in chapter 43.88 RCW. To this end, the office shall adopt such rules as are necessary to manage the cash flow of public funds.

Sec. 511. RCW 4.92.006 and 2002 c 332 s 10 are each amended to read as follows:

As used in this chapter:

(1) ("~~Office~~" means the office of financial management.) "Department" means the department of enterprise services.

(2) "Director" means the director of (~~financial management~~) enterprise services.

(3) ("~~Risk management division~~") "Office of risk management" means the (~~division of the office of financial management~~) office within the department of enterprise services that carries out the powers and duties under this chapter relating to claim filing, claims administration, and claims payment.

(4) "Risk manager" means the person supervising the office of risk management (~~division~~).

Sec. 512. RCW 4.92.040 and 2002 c 332 s 11 are each amended to read as follows:

(1) No execution shall issue against the state on any judgment.

(2) Whenever a final judgment against the state is obtained in an action on a claim arising out of tortious conduct, the claim shall be paid from the liability account.

(3) Whenever a final judgment against the state shall have been obtained in any other action, the clerk of the court shall make and furnish to the office of risk management (~~division~~) a duly certified copy of such judgment; the office of risk management (~~division~~) shall thereupon audit the amount of damages and costs therein awarded, and the same shall be paid from appropriations specifically provided for such purposes by law.

(4) Final judgments for which there are no provisions in state law for payment shall be transmitted by the office of risk management (~~division~~) to the senate and house of representatives committees on ways and means as follows:

(a) On the first day of each session of the legislature, the office of risk management (~~division~~) shall transmit judgments received and audited since the adjournment of the previous session of the legislature.

(b) During each session of legislature, the office of risk management (~~division~~) shall transmit judgments immediately upon completion of audit.

(5) All claims, other than judgments, made to the legislature against the state of Washington for money or property, shall be accompanied by a statement of the facts on which such claim is based and such evidence as the claimant intends to offer in support of the claim and shall be filed with the office of risk management (~~division~~), which shall retain the same as a record. All claims of two thousand dollars or less shall be approved or rejected by the office of risk management (~~division~~), and if approved shall be paid from appropriations specifically provided for such purpose by law. Such decision, if adverse to the claimant in whole or part, shall not preclude the claimant from seeking relief from the legislature. If the claimant accepts any part of his or her claim which is approved for payment by the office of risk management (~~division~~), such acceptance shall constitute a waiver and release of the state from any further claims relating to the damage or injury asserted in the claim so accepted. The office of risk management (~~division~~) shall submit to the house and senate committees on ways and means, at the beginning of each regular session, a comprehensive list of all claims paid pursuant to this subsection during the preceding year. For all claims

not approved by the office of risk management (~~division~~), the office of risk management (~~division~~) shall recommend to the legislature whether such claims should be approved or rejected. Recommendations shall be submitted to the senate and house of representatives committees on ways and means not later than the thirtieth day of each regular session of the legislature. Claims which cannot be processed for timely submission of recommendations shall be held for submission during the following regular session of the legislature. The recommendations shall include, but not be limited to:

(A) A summary of the facts alleged in the claim, and a statement as to whether these facts can be verified by the office of risk management (~~division~~);

(b) An estimate by the office of risk management (~~division~~) of the value of the loss or damage which was alleged to have occurred;

(c) An analysis of the legal liability, if any, of the state for the alleged loss or damage; and

(d) A summary of equitable or public policy arguments which might be helpful in resolving the claim.

(6) The legislative committees to whom such claims are referred shall make a transcript, recording, or statement of the substance of the evidence given in support of such a claim. If the legislature approves a claim the same shall be paid from appropriations specifically provided for such purpose by law.

(7) Subsections (3) through (6) of this section do not apply to judgments or claims against the state housing finance commission created under chapter 43.180 RCW.

Sec. 513. RCW 4.92.130 and 2009 c 560 s 15 are each amended to read as follows:

A liability account in the custody of the treasurer is hereby created as a nonappropriated account to be used solely and exclusively for the payment of liability settlements and judgments against the state under 42 U.S.C. Sec. 1981 et seq. or for the tortious conduct of its officers, employees, and volunteers and all related legal defense costs.

(1) The purpose of the liability account is to: (a) Expediently pay legal liabilities and defense costs of the state resulting from tortious conduct; (b) promote risk control through a cost allocation system which recognizes agency loss experience, levels of self-retention, and levels of risk exposure; and (c) establish an actuarially sound system to pay incurred losses, within defined limits.

(2) The liability account shall be used to pay claims for injury and property damages and legal defense costs exclusive of agency-retained expenses otherwise budgeted.

(3) No money shall be paid from the liability account, except for defense costs, unless all proceeds available to the claimant from any valid and collectible liability insurance shall have been exhausted and unless:

(a) The claim shall have been reduced to final judgment in a court of competent jurisdiction; or

(b) The claim has been approved for payment.

(4) The liability account shall be financed through annual premiums assessed to state agencies, based on sound actuarial principles, and shall be for liability coverage in excess of agency-budgeted self-retention levels.

(5) Annual premium levels shall be determined by the risk manager. An actuarial study shall be conducted to assist in determining the appropriate level of funding.

(6) Disbursements for claims from the liability account shall be made to the claimant, or to the clerk of the court for judgments, upon written request to the state treasurer from the risk manager.

(7) The director may direct agencies to transfer moneys from other funds and accounts to the liability account if premiums are delinquent.

(8) The liability account shall not exceed fifty percent of the actuarial value of the outstanding liability as determined annually by the office of risk management (~~division~~). If the account exceeds the

maximum amount specified in this section, premiums may be adjusted by the office of risk management (~~(division)~~) in order to maintain the account balance at the maximum limits. If, after adjustment of premiums, the account balance remains above the limits specified, the excess amount shall be prorated back to the appropriate funds.

Sec. 514. RCW 4.92.150 and 2002 c 332 s 15 are each amended to read as follows:

After commencement of an action in a court of competent jurisdiction upon a claim against the state, or any of its officers, employees, or volunteers arising out of tortious conduct or pursuant to 42 U.S.C. Sec. 1981 et seq., or against a foster parent that the attorney general is defending pursuant to RCW 4.92.070, or upon petition by the state, the attorney general, with the prior approval of the office of risk management (~~(division)~~) and with the approval of the court, following such testimony as the court may require, may compromise and settle the same and stipulate for judgment against the state, the affected officer, employee, volunteer, or foster parent.

Sec. 515. RCW 4.92.160 and 2002 c 332 s 16 are each amended to read as follows:

Payment of claims and judgments arising out of tortious conduct or pursuant to 42 U.S.C. Sec. 1981 et seq. shall not be made by any agency or department of state government with the exception of the office of risk management (~~(division)~~), and that (~~(division)~~) office shall authorize and direct the payment of moneys only from the liability account whenever:

(1) The head or governing body of any agency or department of state or the designee of any such agency certifies to the office of risk management (~~(division)~~) that a claim has been settled; or

(2) The clerk of court has made and forwarded a certified copy of a final judgment in a court of competent jurisdiction and the attorney general certifies that the judgment is final and was entered in an action on a claim arising out of tortious conduct or under and pursuant to 42 U.S.C. Sec. 1981 et seq. Payment of a judgment shall be made to the clerk of the court for the benefit of the judgment creditors. Upon receipt of payment, the clerk shall satisfy the judgment against the state.

Sec. 516. RCW 4.92.210 and 2002 c 332 s 17 are each amended to read as follows:

(1) All liability claims arising out of tortious conduct or under 42 U.S.C. Sec. 1981 et seq. that the state of Washington or any of its officers, employees, or volunteers would be liable for shall be filed with the office of risk management (~~(division)~~).

(2) A centralized claim tracking system shall be maintained to provide agencies with accurate and timely data on the status of liability claims. Information in this claim file, other than the claim itself, shall be privileged and confidential.

(3) Standardized procedures shall be established for filing, reporting, processing, and adjusting claims, which includes the use of qualified claims management personnel.

(4) All claims shall be reviewed by the office of risk management (~~(division)~~) to determine an initial valuation, to delegate to the appropriate office to investigate, negotiate, compromise, and settle the claim, or to retain that responsibility on behalf of and with the assistance of the affected state agency.

(5) All claims that result in a lawsuit shall be forwarded to the attorney general's office. Thereafter the attorney general and the office of risk management (~~(division)~~) shall collaborate in the investigation, denial, or settlement of the claim.

(6) Reserves shall be established for recognizing financial liability and monitoring effectiveness. The valuation of specific claims against the state shall be privileged and confidential.

(7) All settlements shall be approved by the responsible agencies, or their designees, prior to settlement.

Sec. 517. RCW 4.92.270 and 2002 c 332 s 21 are each amended to read as follows:

The risk manager shall develop procedures for standard indemnification agreements for state agencies to use whenever the agency agrees to indemnify, or be indemnified by, any person or party. The risk manager shall also develop guidelines for the use of indemnification agreements by state agencies. On request of the risk manager, an agency shall forward to the office of risk management (~~(division)~~) for review and approval any contract or agreement containing an indemnification agreement.

Sec. 518. RCW 4.92.280 and 1998 c 217 s 4 are each amended to read as follows:

If chapter 217, Laws of 1998 mandates an increased level of service by local governments, the local government may, under RCW 43.135.060 and chapter 4.92 RCW, submit claims for reimbursement by the legislature. The claims shall be subject to verification by the (~~(office of financial management)~~) department of enterprise services.

Sec. 519. RCW 10.92.020 and 2008 c 224 s 2 are each amended to read as follows:

(1) Tribal police officers under subsection (2) of this section shall be recognized and authorized to act as general authority Washington peace officers. A tribal police officer recognized and authorized to act as a general authority Washington peace officer under this section has the same powers as any other general authority Washington peace officer to enforce state laws in Washington, including the power to make arrests for violations of state laws.

(2) A tribal police officer may exercise the powers of law enforcement of a general authority Washington peace officer under this section, subject to the following:

(a) The appropriate sovereign tribal nation shall submit to the (~~(office of financial management)~~) department of enterprise services proof of public liability and property damage insurance for vehicles operated by the peace officers and police professional liability insurance from a company licensed to sell insurance in the state. For purposes of determining adequacy of insurance liability, the sovereign tribal government must submit with the proof of liability insurance a copy of the interlocal agreement between the sovereign tribal government and the local governments that have shared jurisdiction under this chapter where such an agreement has been reached pursuant to subsection (10) of this section.

(i) Within the thirty days of receipt of the information from the sovereign tribal nation, the (~~(office of financial management)~~) department of enterprise services shall either approve or reject the adequacy of insurance, giving consideration to the scope of the interlocal agreement. The adequacy of insurance under this chapter shall be subject to annual review by the (~~(state office of financial management)~~) department of enterprise services.

(ii) Each policy of insurance issued under this chapter must include a provision that the insurance shall be available to satisfy settlements or judgments arising from the tortious conduct of tribal police officers when acting in the capacity of a general authority Washington peace officer, and that to the extent of policy coverage neither the sovereign tribal nation nor the insurance carrier will raise a defense of sovereign immunity to preclude an action for damages under state or federal law, the determination of fault in a civil action, or the payment of a settlement or judgment arising from the tortious conduct.

(b) The appropriate sovereign tribal nation shall submit to the (~~(office of financial management)~~) department of enterprise services proof of training requirements for each tribal police officer. To be authorized as a general authority Washington peace officer, a tribal police officer must successfully complete the requirements set forth under RCW 43.101.157. Any applicant not meeting the requirements for certification as a tribal police officer may not act as a general authority Washington peace officer under this chapter. The criminal justice training commission shall notify the (~~(office of financial management)~~) department of enterprise services if:

(i) A tribal police officer authorized under this chapter as a general authority Washington state peace officer has been decertified pursuant to RCW 43.101.157; or

(ii) An appropriate sovereign tribal government is otherwise in noncompliance with RCW 43.101.157.

(3) A copy of any citation or notice of infraction issued, or any incident report taken, by a tribal police officer acting in the capacity of a general authority Washington peace officer as authorized by this chapter must be submitted within three days to the police chief or sheriff within whose jurisdiction the action was taken. Any citation issued under this chapter shall be to a Washington court, except that any citation issued to Indians within the exterior boundaries of an Indian reservation may be cited to a tribal court. Any arrest made or citation issued not in compliance with this chapter is not enforceable.

(4) Any authorization granted under this chapter shall not in any way expand the jurisdiction of any tribal court or other tribal authority.

(5) The authority granted under this chapter shall be coextensive with the exterior boundaries of the reservation, except that an officer commissioned under this section may act as authorized under RCW 10.93.070 beyond the exterior boundaries of the reservation.

(6) For purposes of civil liability under this chapter, a tribal police officer shall not be considered an employee of the state of Washington or any local government except where a state or local government has deputized a tribal police officer as a specially commissioned officer. Neither the state of Washington and its individual employees nor any local government and its individual employees shall be liable for the authorization of tribal police officers under this chapter, nor for the negligence or other misconduct of tribal officers. The authorization of tribal police officers under this chapter shall not be deemed to have been a nondelegable duty of the state of Washington or any local government.

(7) Nothing in this chapter impairs or affects the existing status and sovereignty of those sovereign tribal governments whose traditional lands and territories lie within the borders of the state of Washington as established under the laws of the United States.

(8) Nothing in this chapter limits, impairs, or nullifies the authority of a county sheriff to appoint duly commissioned state or federally certified tribal police officers as deputy sheriffs authorized to enforce the criminal and traffic laws of the state of Washington.

(9) Nothing in this chapter limits, impairs, or otherwise affects the existing authority under state or federal law of state or local law enforcement officers to enforce state law within the exterior boundaries of an Indian reservation or to enter Indian country in fresh pursuit, as defined in RCW 10.93.120, of a person suspected of violating state law, where the officer would otherwise not have jurisdiction.

(10) An interlocal agreement pursuant to chapter 39.34 RCW is required between the sovereign tribal government and all local government law enforcement agencies that will have shared jurisdiction under this chapter prior to authorization taking effect under this chapter. Nothing in this chapter shall limit, impair, or otherwise affect the implementation of an interlocal agreement completed pursuant to chapter 39.34 RCW by July 1, 2008, between a sovereign tribal government and a local government law enforcement agency for cooperative law enforcement.

(a) Sovereign tribal governments that meet all of the requirements of subsection (2) of this section, but do not have an interlocal agreement pursuant to chapter 39.34 RCW and seek authorization under this chapter, may submit proof of liability insurance and training certification to the ~~((office of financial management))~~ department of enterprise services. Upon confirmation of receipt of the information from the ~~((office of financial management))~~ department of enterprise services, the sovereign tribal government and the local government law enforcement agencies that will have shared jurisdiction under this chapter have one year to enter into an

interlocal agreement pursuant to chapter 39.34 RCW. If the sovereign tribal government and the local government law enforcement agencies that will have shared jurisdiction under this chapter are not able to reach agreement after one year, the sovereign tribal governments and the local government law enforcement agencies shall submit to binding arbitration pursuant to chapter 7.04A RCW with the American arbitration association or successor agency for purposes of completing an agreement prior to authorization going into effect.

(b) For the purposes of (a) of this subsection, those sovereign tribal government and local government law enforcement agencies that must enter into binding arbitration shall submit to last best offer arbitration. For purposes of accepting a last best offer, the arbitrator must consider other interlocal agreements between sovereign tribal governments and local law enforcement agencies in Washington state, any model policy developed by the Washington association of sheriffs and police chiefs or successor agency, and national best practices.

Sec. 520. RCW 48.62.021 and 2004 c 255 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Local government entity" or "entity" means every unit of local government, both general purpose and special purpose, and includes, but is not limited to, counties, cities, towns, port districts, public utility districts, water-sewer districts, school districts, fire protection districts, irrigation districts, metropolitan municipal corporations, conservation districts, and other political subdivisions, governmental subdivisions, municipal corporations, and quasi-municipal corporations.

(2) "Risk assumption" means a decision to absorb the entity's financial exposure to a risk of loss without the creation of a formal program of advance funding of anticipated losses.

(3) "Self-insurance" means a formal program of advance funding and management of entity financial exposure to a risk of loss that is not transferred through the purchase of an insurance policy or contract.

(4) "Health and welfare benefits" means a plan or program established by a local government entity or entities for the purpose of providing its employees and their dependents, and in the case of school districts, its district employees, students, directors, or any of their dependents, with health care, accident, disability, death, and salary protection benefits.

(5) "Property and liability risks" includes the risk of property damage or loss sustained by a local government entity and the risk of claims arising from the tortious or negligent conduct or any error or omission of the local government entity, its officers, employees, agents, or volunteers as a result of which a claim may be made against the local government entity.

(6) "State risk manager" means the risk manager of the office of risk management (~~((division))~~) within the ~~((office of financial management))~~ department of enterprise services.

(7) "Nonprofit corporation" or "corporation" has the same meaning as defined in RCW 24.03.005(3).

Sec. 521. RCW 48.64.010 and 2009 c 314 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affordable housing" means housing projects in which some of the dwelling units may be purchased or rented on a basis that is affordable to households with an income of eighty percent or less of the county median family income, adjusted for family size.

(2) "Affordable housing entity" means any of the following:

(a) A housing authority created under the laws of this state or another state and any agency or instrumentality of a housing authority including, but not limited to, a legal entity created to conduct a joint

self-insurance program for housing authorities that is operating in accordance with chapter 48.62 RCW;

(b) A nonprofit corporation, whether organized under the laws of this state or another state, that is engaged in providing affordable housing and is necessary for the completion, management, or operation of a project because of its access to funding sources that are not available to a housing authority, as described in this section; or

(c) A general or limited partnership or limited liability company, whether organized under the laws of this state or another state, that is engaged in providing affordable housing as defined in this section. A partnership or limited liability company may only be considered an affordable housing entity if a housing authority or nonprofit corporation, as described in this subsection, satisfies any of the following conditions: (i) It has, or has the right to acquire, a financial or ownership interest in the partnership or limited liability company; (ii) it possesses the power to direct management or policies of the partnership or limited liability company; or (iii) it has entered into a contract to lease, manage, or operate the affordable housing owned by the partnership or limited liability company.

(3) "Property and liability risks" includes the risk of property damage or loss sustained by an affordable housing entity and the risk of claims arising from the tortious or negligent conduct or any error or omission of the entity, its officers, employees, agents, or volunteers as a result of which a claim may be made against the entity.

(4) "Self-insurance" means a formal program of advance funding and management of entity financial exposure to a risk of loss that is not transferred through the purchase of an insurance policy or contract.

(5) "State risk manager" means the risk manager of the office of risk management (~~(division)~~) within the (~~office of financial management~~) department of enterprise services.

Sec. 522. RCW 39.29.011 and 2009 c 486 s 7 are each amended to read as follows:

All personal service contracts shall be entered into pursuant to competitive solicitation, except for:

- (1) Emergency contracts;
- (2) Sole source contracts;
- (3) Contract amendments;

(4) Contracts between a consultant and an agency of less than twenty thousand dollars. However, contracts of five thousand dollars or greater but less than twenty thousand dollars shall have documented evidence of competition, which must include agency posting of the contract opportunity on the state's common vendor registration and bid notification system. Agencies shall not structure contracts to evade these requirements; and

(5) Other specific contracts or classes or groups of contracts exempted from the competitive solicitation process by the director of the (~~office of financial management~~) department of enterprise services when it has been determined that a competitive solicitation process is not appropriate or cost-effective.

Sec. 523. RCW 39.29.016 and 1998 c 101 s 4 are each amended to read as follows:

Emergency contracts shall be filed with the (~~office of financial management~~) department of enterprise services and made available for public inspection within three working days following the commencement of work or execution of the contract, whichever occurs first. Documented justification for emergency contracts shall be provided to the (~~office of financial management~~) department of enterprise services when the contract is filed.

Sec. 524. RCW 39.29.018 and 2009 c 486 s 8 are each amended to read as follows:

(1) Sole source contracts shall be filed with the (~~office of financial management~~) department of enterprise services and made available for public inspection at least ten working days prior to the proposed starting date of the contract. Documented justification for sole source contracts shall be provided to the (~~office of financial~~

~~management~~) department of enterprise services when the contract is filed, and must include evidence that the agency posted the contract opportunity on the state's common vendor registration and bid notification system. For sole source contracts of twenty thousand dollars or more, documented justification shall also include evidence that the agency attempted to identify potential consultants by advertising through statewide or regional newspapers.

(2) The (~~office of financial management~~) department of enterprise services shall approve sole source contracts of twenty thousand dollars or more before any such contract becomes binding and before any services may be performed under the contract. These requirements shall also apply to sole source contracts of less than twenty thousand dollars if the total amount of such contracts between an agency and the same consultant is twenty thousand dollars or more within a fiscal year. Agencies shall ensure that the costs, fees, or rates negotiated in filed sole source contracts of twenty thousand dollars or more are reasonable.

Sec. 525. RCW 39.29.025 and 1998 c 101 s 6 are each amended to read as follows:

(1) Substantial changes in either the scope of work specified in the contract or in the scope of work specified in the formal solicitation document must generally be awarded as new contracts. Substantial changes executed by contract amendments must be submitted to the (~~office of financial management~~) department of enterprise services, and are subject to approval by the (~~office of financial management~~) department of enterprise services.

(2) An amendment or amendments to personal service contracts, if the value of the amendment or amendments, whether singly or cumulatively, exceeds fifty percent of the value of the original contract must be provided to the (~~office of financial management~~) department of enterprise services.

(3) The (~~office of financial management~~) department of enterprise services shall approve amendments provided to it under this section before the amendments become binding and before services may be performed under the amendments.

(4) The amendments must be filed with the (~~office of financial management~~) department of enterprise services and made available for public inspection at least ten working days prior to the proposed starting date of services under the amendments.

(5) The (~~office of financial management~~) department of enterprise services shall approve amendments provided to it under this section only if they meet the criteria for approval of the amendments established by the director of the (~~office of financial management~~) department of enterprise services.

Sec. 526. RCW 39.29.055 and 1998 c 101 s 8 are each amended to read as follows:

(1) Personal service contracts subject to competitive solicitation shall be (a) filed with the (~~office of financial management~~) department of enterprise services and made available for public inspection; and (b) reviewed and approved by the (~~office of financial management~~) department of enterprise services when those contracts provide services relating to management consulting, organizational development, marketing, communications, employee training, or employee recruiting.

(2) Personal service contracts subject to competitive solicitation that provide services relating to management consulting, organizational development, marketing, communications, employee training, or employee recruiting shall be made available for public inspection at least ten working days before the proposed starting date of the contract. All other contracts shall be effective no earlier than the date they are filed with the (~~office of financial management~~) department of enterprise services.

Sec. 527. RCW 39.29.065 and 2009 c 486 s 9 are each amended to read as follows:

To implement this chapter, the director of the (~~office of financial management~~) department of enterprise services shall establish

procedures for the competitive solicitation and award of personal service contracts, recordkeeping requirements, and procedures for the reporting and filing of contracts. The director shall develop procurement policies and procedures, such as unbundled contracting and subcontracting, that encourage and facilitate the purchase of products and services by state agencies and institutions from Washington small businesses to the maximum extent practicable and consistent with international trade agreement commitments. For reporting purposes, the director may establish categories for grouping of contracts. The procedures required under this section shall also include the criteria for amending personal service contracts. At the beginning of each biennium, the director may, by administrative policy, adjust the dollar thresholds prescribed in RCW 39.29.011, 39.29.018, and 39.29.040 to levels not to exceed the percentage increase in the implicit price deflator. Adjusted dollar thresholds shall be rounded to the nearest five hundred dollar increment.

Sec. 528. RCW 39.29.068 and 1998 c 245 s 33 and 1998 c 101 s 10 are each reenacted and amended to read as follows:

The (~~office of financial management~~) department of enterprise services shall maintain a publicly available list of all personal service contracts entered into by state agencies during each fiscal year. The list shall identify the contracting agency, the contractor, the purpose of the contract, effective dates and periods of performance, the cost of the contract and funding source, any modifications to the contract, and whether the contract was competitively procured or awarded on a sole source basis. The (~~office of financial management~~) department of enterprise services shall also ensure that state accounting definitions and procedures are consistent with RCW 39.29.006 and permit the reporting of personal services expenditures by agency and by type of service. Designations of type of services shall include, but not be limited to, management and organizational services, legal and expert witness services, financial services, computer and information services, social or technical research, marketing, communications, and employee training or recruiting services. The (~~office of financial management~~) department of enterprise services shall report annually to the fiscal committees of the senate and house of representatives on sole source contracts filed under this chapter. The report shall describe: (1) The number and aggregate value of contracts for each category established in this section; (2) the number and aggregate value of contracts of five thousand dollars or greater but less than twenty thousand dollars; (3) the number and aggregate value of contracts of twenty thousand dollars or greater; (4) the justification provided by agencies for the use of sole source contracts; and (5) any trends in the use of sole source contracts.

Sec. 529. RCW 39.29.075 and 1987 c 414 s 9 are each amended to read as follows:

As requested by the legislative auditor, the (~~office of financial management~~) department of enterprise services shall provide information on contracts filed under this chapter for use in preparation of summary reports on personal services contracts.

Sec. 530. RCW 39.29.090 and 1998 c 101 s 11 are each amended to read as follows:

Personal service contracts awarded by institutions of higher education from nonstate funds do not have to be filed in advance and approved by the (~~office of financial management~~) department of enterprise services. Any such contract is subject to all other requirements of this chapter, including the requirements under RCW 39.29.068 for annual reporting of personal service contracts to the (~~office of financial management~~) department of enterprise services.

Sec. 531. RCW 39.29.100 and 2002 c 260 s 7 are each amended to read as follows:

(1) The (~~office of financial management~~) department of enterprise services shall adopt uniform guidelines for the effective and efficient management of personal service contracts and client service contracts by all state agencies. The guidelines must, at a minimum, include:

(a) Accounting methods, systems, measures, and principles to be used by agencies and contractors;

(b) Precontract procedures for selecting potential contractors based on their qualifications and ability to perform;

(c) Incorporation of performance measures and measurable benchmarks in contracts, and the use of performance audits;

(d) Uniform contract terms to ensure contract performance and compliance with state and federal standards;

(e) Proper payment and reimbursement methods to ensure that the state receives full value for taxpayer moneys, including cost settlements and cost allowance;

(f) Postcontract procedures, including methods for recovering improperly spent or overspent moneys for disallowance and adjustment;

(g) Adequate contract remedies and sanctions to ensure compliance;

(h) Monitoring, fund tracking, risk assessment, and auditing procedures and requirements;

(i) Financial reporting, record retention, and record access procedures and requirements;

(j) Procedures and criteria for terminating contracts for cause or otherwise; and

(k) Any other subject related to effective and efficient contract management.

(2) The (~~office of financial management~~) department of enterprise services shall submit the guidelines required by subsection (1) of this section to the governor and the appropriate standing committees of the legislature no later than December 1, 2002.

(3) The (~~office of financial management~~) department of enterprise services shall publish a guidebook for use by state agencies containing the guidelines required by subsection (1) of this section.

Sec. 532. RCW 39.29.110 and 2002 c 260 s 8 are each amended to read as follows:

(1) A state agency entering into or renewing personal service contracts or client service contracts shall follow the guidelines required by RCW 39.29.100.

(2) A state agency that has entered into or renewed personal service contracts or client service contracts during a calendar year shall, on or before January 1st of the following calendar year, provide the (~~office of financial management~~) department of enterprise services with a report detailing the procedures the agency employed in entering into, renewing, and managing the contracts.

(3) The provisions of this section apply to state agencies entering into or renewing contracts after January 1, 2003.

Sec. 533. RCW 39.29.120 and 2002 c 260 s 9 are each amended to read as follows:

(1) The (~~office of financial management~~) department of enterprise services shall provide a training course for agency personnel responsible for executing and managing personal service contracts and client service contracts. The course must contain training on effective and efficient contract management under the guidelines established under RCW 39.29.100. State agencies shall require agency employees responsible for executing or managing personal service contracts and client service contracts to complete the training course to the satisfaction of the (~~office of financial management~~) department of enterprise services. Beginning January 1, 2004, no agency employee may execute or manage personal service contracts or client service contracts unless the employee has completed the training course. Any request for exception to this requirement shall be submitted to the (~~office of financial management~~) department of enterprise services in writing and shall be approved by the (~~office of financial management~~) department of enterprise services prior to the employee executing or managing the contract.

(2)(a) The (~~office of financial management~~) department of enterprise services shall conduct risk-based audits of the contracting

practices associated with individual personal service and client service contracts from multiple state agencies to ensure compliance with the guidelines established in RCW 39.29.110. The ~~((office of financial management))~~ department of enterprise services shall conduct the number of audits deemed appropriate by the director of the ~~((office of financial management))~~ department of enterprise services based on funding provided.

(b) The ~~((office of financial management))~~ department of enterprise services shall forward the results of the audits conducted under this section to the governor, the appropriate standing committees of the legislature, and the joint legislative audit and review committee.

Sec. 534. RCW 43.88.580 and 2008 c 326 s 3 are each amended to read as follows:

(1) The ~~((office of financial management))~~ department of enterprise services shall make electronically available to the public a database of state agency contracts for personal services required to be filed with the ~~((office of financial management))~~ department of enterprise services under chapter 39.29 RCW.

(2) The state expenditure information web site described in RCW 44.48.150 shall include a link to the ~~((office of financial management))~~ department of enterprise services database described in subsection (1) of this section.

NEW SECTION. Sec. 535. RCW 43.41.280, 43.41.290, 43.41.300, 43.41.310, 43.41.320, 43.41.330, 43.41.340, 43.41.350, and 43.41.360 are each recodified as sections in chapter 43.19 RCW.

PART VI

POWERS AND DUTIES TRANSFERRED FROM THE DEPARTMENT OF INFORMATION SERVICES

Sec. 601. RCW 43.105.080 and 2010 1st sp.s. c 37 s 931 are each amended to read as follows:

There is created a revolving fund to be known as the data processing revolving fund in the custody of the state treasurer. The revolving fund shall be used for the acquisition of equipment, software, supplies, and services and the payment of salaries, wages, and other costs incidental to the acquisition, development, operation, and administration of information services, telecommunications, systems, software, supplies and equipment, including the payment of principal and interest on bonds issued for capital projects, by the department, Washington State University's computer services center, the department of ~~((personnel's))~~ enterprise services' personnel information systems ~~((division, the office of financial management's))~~ group and financial systems management group, and other users as ~~((jointly))~~ determined by the ~~((department and the))~~ office of financial management. The revolving fund is subject to the allotment procedure provided under chapter 43.88 RCW. The chief information officer or the chief information officer's designee, with the approval of the technology services board, is authorized to expend up to one million dollars per fiscal biennium for the technology services board to conduct independent technical and financial analysis of proposed information technology projects, and such an expenditure does not require an appropriation. Disbursements from the revolving fund for the services component of the department are not subject to appropriation. Disbursements for the strategic planning and policy component of the department are subject to appropriation. All disbursements from the fund are subject to the allotment procedures provided under chapter 43.88 RCW. The department shall establish and implement a billing structure to assure all agencies pay an equitable share of the costs.

During the 2009-2011 fiscal biennium, the legislature may transfer from the data processing revolving account to the state general fund such amounts as reflect the excess fund balance associated with the information technology pool.

As used in this section, the word "supplies" shall not be interpreted to delegate or abrogate the division of purchasing's

responsibilities and authority to purchase supplies as described in RCW 43.19.190 and 43.19.200.

Sec. 602. RCW 43.105.320 and 1999 c 287 s 18 are each amended to read as follows:

The department of ~~((information))~~ enterprise services may become a licensed certification authority, under chapter 19.34 RCW, for the purpose of providing services to agencies, local governments, and other entities and persons for purposes of official state business. The department is not subject to RCW 19.34.100(1)(a). The department shall only issue certificates, as defined in RCW 19.34.020, in which the subscriber is:

(1) The state of Washington or a department, office, or agency of the state;

(2) A city, county, district, or other municipal corporation, or a department, office, or agency of the city, county, district, or municipal corporation;

(3) An agent or employee of an entity described by subsection (1) or (2) of this section, for purposes of official public business;

(4) Any other person or entity engaged in matters of official public business, however, such certificates shall be limited only to matters of official public business. The department may issue certificates to such persons or entities only if after issuing a request for proposals from certification authorities licensed under chapter 19.34 RCW and review of the submitted proposals, makes a determination that such private services are not sufficient to meet the department's published requirements. The department must set forth in writing the basis of any such determination and provide procedures for challenge of the determination as provided by the state procurement requirements; or

(5) An applicant for a license as a certification authority for the purpose of compliance with RCW 19.34.100(1)(a).

Sec. 603. RCW 43.105.370 and 2009 c 509 s 2 are each amended to read as follows:

(1) The broadband mapping account is established in the custody of the state treasurer. The department shall deposit into the account such funds received from legislative appropriation, federal ~~((grants authorized under the federal broadband data improvement act, P.L. 110-385, Title I))~~ funding, and donated funds from private and public sources. Expenditures from the account may be used only for the purposes of RCW 43.105.372 through 43.105.376 (as recodified by this act). Only the director of the department or the director's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) The department ~~((of information services))~~ is the single eligible entity in the state for purposes of the federal broadband ~~((data improvement act, P.L. 110-385, Title I))~~ mapping activities.

(3) Federal funding received by the department ~~((under the federal broadband data improvement act, P.L. 110-385, Title I,))~~ for broadband mapping activities must be used in accordance with ~~((the))~~ any federal requirements ~~((of that act))~~ and, subject to those requirements, may be distributed by the department on a competitive basis to other entities in the state ~~((to achieve the purposes of that act))~~.

(4) The department ~~((of information services))~~ shall consult with ~~((the department of community, trade, and economic development or its successor agency,))~~ the office of financial management~~((;))~~ and the utilities and transportation commission in coordinating broadband mapping activities. In carrying out any broadband mapping activities, the provisions of P.L. 110-385, Title I, regarding trade secrets, commercial or financial information, and privileged or confidential information submitted by the federal communications commission or a broadband provider are deemed to encompass the consulted agencies.

Sec. 604. RCW 43.105.372 and 2009 c 509 s 3 are each amended to read as follows:

(1) Subject to the availability of federal or state funding, the department may:

(a) Develop an interactive web site to allow residents to self-report whether high-speed internet is available at their home or residence and at what speed; and

(b) Conduct a detailed survey of all high-speed internet infrastructure owned or leased by state agencies and ~~((creating ~~create~~))~~ create a geographic information system map of all high-speed internet infrastructure owned or leased by the state.

(2) State agencies responding to a survey request from the department under subsection (1)(b) of this section shall respond in a reasonable and timely manner, not to exceed one hundred twenty days. The department shall request of state agencies, at a minimum:

(a) The total bandwidth of high-speed internet infrastructure owned or leased;

(b) The cost of maintaining that high-speed internet infrastructure, if owned, or the price paid for the high-speed internet infrastructure, if leased; and

(c) The leasing entity, if applicable.

(3) The department may adopt rules as necessary to carry out the provisions of this section.

(4) For purposes of this section, "state agency" includes every state office, department, division, bureau, board, commission, or other state agency.

Sec. 605. RCW 43.105.374 and 2009 c 509 s 4 are each amended to read as follows:

(1) The department is authorized, through a competitive bidding process, to procure on behalf of the state a geographic information system map detailing high-speed internet infrastructure, service availability, and adoption. This geographic information system map may include adoption information, availability information, type of high-speed internet deployment technology, and available speed tiers for high-speed internet based on any publicly available data.

(2) The department may procure this map either by:

(a) Contracting for and purchasing a completed map or updates to a map from a third party; or

(b) Working directly with the federal communications commission to accept publicly available data.

(3) The department shall establish an accountability and oversight structure to ensure that there is transparency in the bidding and contracting process and full financial and technical accountability for any information or actions taken by a third-party contractor creating this map.

(4) In contracting for purchase of the map or updates to a map in subsection (2)(a) of this section, the department may take no action, nor impose any condition on the third party, that causes any record submitted by a public or private broadband service provider to the third party to meet the standard of a public record as defined in RCW 42.56.010. This prohibition does not apply to any records delivered to the department by the third party as a component of the ~~((completed))~~ map. For the purpose of RCW 42.56.010~~((2))~~ (3), the purchase by the department of a completed map or updates to a map may not be deemed use or ownership by the department of the underlying information used by the third party to complete the map.

(5) Data or information that is publicly available as of July 1, 2009, will not cease to be publicly available due to any provision of chapter 509, Laws of 2009.

Sec. 606. RCW 43.105.376 and 2009 c 509 s 5 are each amended to read as follows:

(1) The department, in coordination with ~~((the department of community, trade, and economic development and))~~ the utilities and transportation commission, and such advisors as the department chooses, may prepare regular reports that identify the following:

(a) The geographic areas of greatest priority for the deployment of advanced telecommunications infrastructure in the state;

(b) A detailed explanation of how any amount of funding received from the federal government for the purposes of broadband mapping, deployment, and adoption will be or have been used; and

(c) A determination of how nonfederal sources may be utilized to achieve the purposes of broadband mapping, deployment, and adoption activities in the state.

(2) To the greatest extent possible, the initial report should be based upon the information identified in the geographic system maps developed under the requirements of this chapter.

(3) The initial report should be delivered to the appropriate committees of the legislature as soon as feasible, but no later than January 18, 2010.

(4) Any future reports prepared by the department based upon the requirements of subsection (1) of this section should be delivered to the appropriate committees of the legislature by January 15th of each year.

Sec. 607. RCW 43.105.380 and 2009 c 509 s 6 are each amended to read as follows:

The community technology opportunity program is created to support the efforts of community technology programs throughout the state. The community technology opportunity program must be administered by the department ~~((of information services))~~. The department may contract for services in order to carry out the department's obligations under this section.

(1) In implementing the community technology opportunity program the ~~((administrator))~~ director must, to the extent funds are appropriated for this purpose:

(a) Provide organizational and capacity building support to community technology programs throughout the state, and identify and facilitate the availability of other public and private sources of funds to enhance the purposes of the program and the work of community technology programs. No more than fifteen percent of funds received by the ~~((administrator))~~ director for the program may be expended on these functions;

(b) Establish a competitive grant program and provide grants to community technology programs to provide training and skill-building opportunities; access to hardware and software; internet connectivity; digital media literacy; assistance in the adoption of information and communication technologies in low-income and underserved areas of the state; and development of locally relevant content and delivery of vital services through technology.

(2) Grant applicants must:

(a) Provide evidence that the applicant is a nonprofit entity or a public entity that is working in partnership with a nonprofit entity;

(b) Define the geographic area or population to be served;

(c) Include in the application the results of a needs assessment addressing, in the geographic area or among the population to be served: The impact of inadequacies in technology access or knowledge, barriers faced, and services needed;

(d) Explain in detail the strategy for addressing the needs identified and an implementation plan including objectives, tasks, and benchmarks for the applicant and the role that other organizations will play in assisting the applicant's efforts;

(e) Provide evidence of matching funds and resources, which are equivalent to at least one-quarter of the grant amount committed to the applicant's strategy;

(f) Provide evidence that funds applied for, if received, will be used to provide effective delivery of community technology services in alignment with the goals of this program and to increase the applicant's level of effort beyond the current level; and

(g) Comply with such other requirements as the ~~((administrator))~~ director establishes.

(3) The ~~((administrator))~~ director may use no more than ten percent of funds received for the community technology opportunity program to cover administrative expenses.

(4) The ~~((administrator))~~ director must establish expected program outcomes for each grant recipient and must require grant recipients to provide an annual accounting of program outcomes.

Sec. 608. RCW 43.105.382 and 2009 c 509 s 8 are each amended to read as follows:

The Washington community technology opportunity account is established in the state treasury. The governor or the governor's designee and the director or the director's designee shall deposit into the account federal grants to the state ~~((authorized under Division B, Title VI of the American recovery and reinvestment act of 2009)),~~ legislative appropriations, and donated funds from private and public sources for purposes related to broadband deployment and adoption, including matching funds required by the act. Donated funds from private and public sources may be deposited into the account. Expenditures from the account may be used only as matching funds for federal and other grants to fund the operation of the community technology opportunity program under this chapter, and to fund other broadband-related activities authorized in chapter 509, Laws of 2009. Only the director or the director's designee may authorize expenditures from the account.

Sec. 609. RCW 43.105.390 and 2009 c 509 s 9 are each amended to read as follows:

(1) The governor may take all appropriate steps to ~~((carry out the purposes of Division B, Title VI of the American recovery and reinvestment act of 2009, P.L. 111-5, and))~~ seek federal funding in order to maximize investment in broadband deployment and adoption in the state of Washington ~~((consistent with chapter 509, Laws of 2009)).~~ Such steps may include the designation of a broadband deployment and adoption coordinator; review and prioritization of grant applications by public and private entities as directed by the national telecommunications and information administration, the rural utility services, and the federal communications commission; disbursement of block grant funding; and direction to state agencies to provide staffing as necessary to carry out this section. The authority for overseeing broadband adoption and deployment efforts on behalf of the state is vested in the department.

(2) The department may apply for federal funds and other grants or donations, may deposit such funds in the Washington community technology opportunity account created in RCW 43.105.382 (as recodified by this act), may oversee implementation of federally funded or mandated broadband programs for the state and may adopt rules to administer the programs. These programs may include but are not limited to the following:

(a) Engaging in periodic statewide surveys of residents, businesses, and nonprofit organizations concerning their use and adoption of high-speed internet, computer, and related information technology for the purpose of identifying barriers to adoption;

(b) Working with communities to identify barriers to the adoption of broadband service and related information technology services by individuals, nonprofit organizations, and businesses;

(c) Identifying broadband demand opportunities in communities by working cooperatively with local organizations, government agencies, and businesses;

(d) Creating, implementing, and administering programs to improve computer ownership, technology literacy, digital media literacy, and high-speed internet access for populations not currently served or underserved in the state. This may include programs to provide low-income families, community-based nonprofit organizations, nonprofit entities, and public entities that work in partnership with nonprofit entities to provide increased access to computers and broadband, with reduced cost internet access;

(e) Administering the community technology opportunity program under RCW 43.105.380 and 43.105.382 (as recodified by this act);

(f) Creating additional programs to spur the development of high-speed internet resources in the state;

(g) Establishing technology literacy and digital inclusion programs and establishing low-cost hardware, software, and internet purchasing programs that may include allowing participation by community technology programs in state purchasing programs; and

(h) Developing technology loan programs targeting small businesses or businesses located in unserved and underserved areas.

Sec. 610. RCW 43.105.400 and 2009 c 509 s 10 are each amended to read as follows:

~~((1))~~ Subject to the availability of federal or state funding, the department may ~~((reconvene the high-speed internet work group previously established by chapter 262, Laws of 2008. The work group is renamed the advisory council on digital inclusion, and is))~~ convene an advisory group (to the department) on digital inclusion and technology planning. The ~~((council must))~~ advisory group may include, but is not limited to, volunteer representatives from community technology organizations, telecommunications providers, higher education institutions, K-12 education institutions, public health institutions, public housing entities, and local government and other governmental entities that are engaged in community technology activities.

~~((2))~~ The council shall prepare a report by January 15th of each year and submit it to the department, the governor, and the appropriate committees of the legislature. The report must contain:

(a) An analysis of how support from public and private sector partnerships, the philanthropic community, and other not-for-profit organizations in the community, along with strong relationships with the state board for community and technical colleges, the higher education coordinating board, and higher education institutions, could establish a variety of high-speed internet access alternatives for citizens;

(b) Proposed strategies for continued broadband deployment and adoption efforts, as well as further development of advanced telecommunications applications;

(c) Recommendations on methods for maximizing the state's research and development capacity at universities and in the private sector for developing advanced telecommunications applications and services, and recommendations on incentives to stimulate the demand for and development of these applications and services;

(d) An identification of barriers that hinder the advancement of technology entrepreneurship in the state; and

(e) An evaluation of programs designed to advance digital literacy and computer access that are made available by the federal government, local agencies, telecommunications providers, and business and charitable entities.)

Sec. 611. RCW 41.07.030 and 1975 1st ex.s. c 239 s 3 are each amended to read as follows:

The costs of administering, maintaining, and operating the central personnel-payroll system shall be distributed to the using state agencies. In order to insure proper and equitable distribution of costs the department of personnel shall utilize cost accounting procedures to identify all costs incurred in the administration, maintenance, and operation of the central personnel-payroll system. In order to facilitate proper and equitable distribution of costs to the using state agencies the department of personnel is authorized to utilize the data processing revolving fund created by RCW 43.105.080 (as recodified by this act) and the ~~((department of))~~ personnel service fund created by RCW 41.06.280.

Sec. 612. RCW 43.991.040 and 1997 c 456 s 39 are each amended to read as follows:

(1) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of RCW 43.991.020(4), the state treasurer shall transfer from property taxes in the state general fund levied for this support of the common schools under RCW 84.52.065 to the general fund of the state treasury for unrestricted use the amount computed in RCW 43.991.030 for the bonds issued for the purposes of RCW 43.991.020(4).

(2) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of RCW 43.99I.020(5), the state treasurer shall transfer from higher education operating fees deposited in the general fund to the general fund of the state treasury for unrestricted use, or if chapter 231, Laws of 1992 (Senate Bill No. 6285) becomes law and changes the disposition of higher education operating fees from the general fund to another account, the state treasurer shall transfer the proportional share from the University of Washington operating fees account, the Washington State University operating fees account, and the Central Washington University operating fees account the amount computed in RCW 43.99I.030 for the bonds issued for the purposes of RCW 43.99I.020(6).

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of RCW 43.99I.020(6), the state treasurer shall transfer from the data processing revolving fund created in RCW 43.105.080 (as recodified by this act) to the general fund of the state treasury the amount computed in RCW 43.99I.030 for the bonds issued for the purposes of RCW 43.99I.020(6).

(4) On each date on which any interest or principal and interest payment is due on bonds issued for the purpose of RCW 43.99I.020(7), the Washington state dairy products commission shall cause the amount computed in RCW 43.99I.030 for the bonds issued for the purposes of RCW 43.99I.020(7) to be paid out of the commission's general operating fund to the state treasurer for deposit into the general fund of the state treasury.

(5) The higher education operating fee accounts for the University of Washington, Washington State University, and Central Washington University established by chapter 231, Laws of 1992 and repealed by chapter 18, Laws of 1993 1st sp. sess. are reestablished in the state treasury for purposes of fulfilling debt service reimbursement transfers to the general fund required by bond resolutions and covenants for bonds issued for purposes of RCW 43.99I.020(5).

(6) For bonds issued for purposes of RCW 43.99I.020(5), on each date on which any interest or principal and interest payment is due, the board of regents or board of trustees of the University of Washington, Washington State University, or Central Washington University shall cause the amount as determined by the state treasurer to be paid out of the local operating fee account for deposit by the universities into the state treasury higher education operating fee accounts. The state treasurer shall transfer the proportional share from the University of Washington operating fees account, the Washington State University operating fees account, and the Central Washington University operating fees account the amount computed in RCW 43.99I.030 for the bonds issued for the purposes of RCW 43.99I.020(6) to reimburse the general fund.

NEW SECTION. Sec. 613. The following acts or parts of acts are each repealed:

(1) RCW 43.105.300 (Education in use of technology encouraged) and 1996 c 171 s 14; and

(2) RCW 43.105.360 (Web directory--Public community technology programs) and 2008 c 262 s 5.

NEW SECTION. Sec. 614. RCW 43.105.080, 43.105.320, and 43.105.410 are each recodified as sections in chapter 43.19 RCW.

NEW SECTION. Sec. 615. RCW 43.105.370, 43.105.372, 43.105.374, 43.105.376, 43.105.380, 43.105.382, 43.105.390, and 43.105.400 are each recodified as sections in chapter 43.330 RCW.

PART VII

CREATING THE OFFICE OF CHIEF INFORMATION OFFICER

NEW SECTION. Sec. 701. Information technology is a tool used by state agencies to improve their ability to deliver public services efficiently and effectively. Advances in information technology - including advances in hardware, software, and business processes for implementing and managing these resources - offer new

opportunities to improve the level of support provided to citizens and state agencies and to reduce the per-transaction cost of these services. These advances are one component in the process of reengineering how government delivers services to citizens.

To fully realize the service improvements and cost efficiency from the effective application of information technology to its business processes, state government must establish decision-making structures that connect business processes and information technology in an operating model. Many of these business practices transcend individual agency processes and should be worked at the enterprise level. To do this requires an effective partnership of executive management, business processes owners, and providers of support functions necessary to efficiently and effectively deliver services to citizens.

To maximize the potential for information technology to contribute to government business process reengineering the state must establish clear central authority to plan, set enterprise standards, and provide project oversight and management analysis of the various aspects of a business process.

Establishing the office of chief information officer and partnering it with the director of financial management will provide state government with the cohesive structure necessary to develop improved operating models with agency directors and reengineer business process to enhance service delivery while capturing savings.

NEW SECTION. Sec. 702. (1) The office of the chief information officer is created within the office of financial management.

(2) Powers, duties, and functions assigned to the department of information services as specified in this chapter shall be transferred to the office of chief information officer as provided in this chapter.

(3) The primary duties of the office are:

(a) To prepare and lead the implementation of a strategic direction and enterprise architecture for information technology for state government;

(b) To enable the standardization and consolidation of information technology infrastructure across all state agencies to support enterprise-based system development and improve and maintain service delivery;

(c) To establish standards and policies for the consistent and efficient operation of information technology services throughout state government;

(d) To establish statewide enterprise architecture that will serve as the organizing standard for information technology for state agencies;

(e) Educate and inform state managers and policymakers on technological developments, industry trends and best practices, industry benchmarks that strengthen decision making and professional development, and industry understanding for public managers and decision makers.

(4) In the case of institutions of higher education, the powers of the office and the provisions of this chapter apply to business and administrative applications but do not apply to (a) academic and research applications; and (b) medical, clinical, and health care applications, including the business and administrative applications for such operations. However, institutions of higher education must disclose to the office any proposed academic applications that are enterprise-wide in nature relative to the needs and interests of other institutions of higher education.

(5) The legislature and the judiciary, which are constitutionally recognized as separate branches of government, are strongly encouraged to coordinate with the office and participate in shared services initiatives and the development of enterprise-based strategies, where appropriate.

NEW SECTION. Sec. 703. (1) The executive head and appointing authority of the office is the chief information officer. The chief information officer shall be appointed by the governor, subject to confirmation by the senate. The chief information officer shall

serve at the pleasure of the governor. The chief information officer shall be paid a salary fixed by the governor. If a vacancy occurs in the position of chief information officer while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate at which time he or she shall present to that body his or her nomination for the position.

(2) The chief information officer may employ staff members, some of whom may be exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter, and such other duties as may be authorized by law. The chief information officer may delegate any power or duty vested in him or her by this chapter or other law.

(3) The internal affairs of the office shall be under the control of the chief information officer in order that the chief information officer may manage the office in a flexible and intelligent manner as dictated by changing contemporary circumstances. Unless specifically limited by law, the chief information officer shall have complete charge and supervisory powers over the office. The chief information officer may create such administrative structures as the chief information officer deems appropriate, except as otherwise specified by law, and the chief information officer may employ staff members as may be necessary in accordance with chapter 41.06 RCW, except as otherwise provided by law.

NEW SECTION. Sec. 704. The chief information officer shall:

(1) Supervise and administer the activities of the office of chief information officer;

(2) Exercise all the powers and perform all the duties prescribed by law with respect to the administration of this chapter including:

(a) Appoint such professional, technical, and clerical assistants and employees as may be necessary to perform the duties imposed by this chapter; and

(b) Report to the governor any matters relating to abuses and evasions of this chapter.

(3) In addition to other powers and duties granted, the chief information officer has the following powers and duties:

(a) Enter into contracts on behalf of the state to carry out the purposes of this chapter;

(b) Accept and expend gifts and grants that are related to the purposes of this chapter, whether such grants be of federal or other funds;

(c) Apply for grants from public and private entities, and receive and administer any grant funding received for the purpose and intent of this chapter;

(d) Adopt rules in accordance with chapter 34.05 RCW and perform all other functions necessary and proper to carry out the purposes of this chapter;

(e) Delegate powers, duties, and functions as the chief information officer deems necessary for efficient administration, but the chief information officer shall be responsible for the official acts of the officers and employees of the office; and

(f) Perform other duties as are necessary and consistent with law.

NEW SECTION. Sec. 705. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Backbone network" means the shared high-density portions of the state's telecommunications transmission facilities. It includes specially conditioned high-speed communications carrier lines, multiplexors, switches associated with such communications lines, and any equipment and software components necessary for management and control of the backbone network.

(2) "Board" means the technology services board.

(3) "Committee" means the state interoperability executive committee.

(4) "Educational sectors" means those institutions of higher education, school districts, and educational service districts that use the network for distance education, data transmission, and other uses permitted by the board.

(5) "Enterprise architecture" means an ongoing program for translating business vision and strategy into effective enterprise change. It is a continuous activity. Enterprise architecture creates, communicates, and improves the key principles and models that describe the enterprise's future state and enable its evolution.

(6) "Equipment" means the machines, devices, and transmission facilities used in information processing, including but not limited to computers, terminals, telephones, wireless communications system facilities, cables, and any physical facility necessary for the operation of such equipment.

(7) "Information" includes, but is not limited to, data, text, voice, and video.

(8) "Information technology" includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

(9) "Information technology portfolio" or "portfolio" means a strategic management process documenting relationships between agency missions and information technology and telecommunications investments.

(10) "K-20 network" means the network established in section 718 of this act.

(11) "Local governments" includes all municipal and quasi-municipal corporations and political subdivisions, and all agencies of such corporations and subdivisions authorized to contract separately.

(12) "Office" means the office of the chief information officer.

(13) "Oversight" means a process of comprehensive risk analysis and management designed to ensure optimum use of information technology resources and telecommunications.

(14) "Proprietary software" means that software offered for sale or license.

(15) "State agency" or "agency" means every state office, department, division, bureau, board, commission, or other state agency, including offices headed by a statewide elected official.

(16) "Telecommunications" includes, but is not limited to, wireless or wired systems for transport of voice, video, and data communications, network systems, requisite facilities, equipment, system controls, simulation, electronic commerce, and all related interactions between people and machines. "Telecommunications" does not include public safety communications.

STANDARDS AND POLICIES

NEW SECTION. Sec. 706. (1) The chief information officer shall establish standards and policies to govern information technology in the state of Washington.

(2) The office shall have the following powers and duties related to information services:

(a) To develop statewide standards and policies governing the acquisition and disposition of equipment, software, and personal and purchased services, licensing of the radio spectrum by or on behalf of state agencies, and confidentiality of computerized data;

(b) To develop statewide or interagency technical policies, standards, and procedures;

(c) To review and approve standards and common specifications for new or expanded telecommunications networks proposed by agencies, public postsecondary education institutions, educational service districts, or statewide or regional providers of K-12 information technology services;

(d) To develop a detailed business plan for any service or activity to be contracted under RCW 41.06.142(7)(b) by the consolidated technology services agency;

(e) To provide direction concerning strategic planning goals and objectives for the state. The office shall seek input from the legislature and the judiciary; and

(f) To establish policies for the periodic review by the office of agency performance which may include but are not limited to analysis of:

(i) Planning, management, control, and use of information services;

(ii) Training and education; and

(iii) Project management.

(3) Statewide technical standards to promote and facilitate electronic information sharing and access are an essential component of acceptable and reliable public access service and complement content-related standards designed to meet those goals. The office shall:

(a) Establish technical standards to facilitate electronic access to government information and interoperability of information systems, including wireless communications systems; and

(b) Require agencies to include an evaluation of electronic public access needs when planning new information systems or major upgrades of systems.

In developing these standards, the office is encouraged to include the state library, state archives, and appropriate representatives of state and local government.

(4) The office shall perform other matters and things necessary to carry out the purposes and provisions of this chapter.

STRATEGIC PLANNING

NEW SECTION. Sec. 707. (1) The office shall prepare a state strategic information technology plan which shall establish a statewide mission, goals, and objectives for the use of information technology, including goals for electronic access to government records, information, and services. The plan shall be developed in accordance with the standards and policies established by the office. The office shall seek the advice of the board in the development of this plan.

The plan shall be updated as necessary and submitted to the governor and the legislature.

(2) The office shall prepare a biennial state performance report on information technology based on agency performance reports required under section 710 of this act and other information deemed appropriate by the office. The report shall include, but not be limited to:

(a) An analysis, based upon agency portfolios, of the state's information technology infrastructure, including its value, condition, and capacity;

(b) An evaluation of performance relating to information technology;

(c) An assessment of progress made toward implementing the state strategic information technology plan, including progress toward electronic access to public information and enabling citizens to have two-way access to public records, information, and services; and

(d) An analysis of the success or failure, feasibility, progress, costs, and timeliness of implementation of major information technology projects under section 712 of this act. At a minimum, the portion of the report regarding major technology projects must include:

(i) The total cost data for the entire life-cycle of the project, including capital and operational costs, broken down by staffing costs, contracted service, hardware purchase or lease, software purchase or lease, travel, and training. The original budget must also be shown for comparison;

(ii) The original proposed project schedule and the final actual project schedule;

(iii) Data regarding progress towards meeting the original goals and performance measures of the project;

(iv) Discussion of lessons learned on the project, performance of any contractors used, and reasons for project delays or cost increases; and

(v) Identification of benefits generated by major information technology projects developed under section 712 of this act.

Copies of the report shall be distributed biennially to the governor and the legislature. The major technology section of the report must examine major information technology projects completed in the previous biennium.

PORTFOLIO MANAGEMENT

NEW SECTION. Sec. 708. Management of information technology across state government requires managing resources and business processes across multiple agencies. It is no longer sufficient to pursue efficiencies within agency or individual business process boundaries. The state must manage the business process changes and information technology in support of business processes as a statewide portfolio. The chief information officer will use agency information technology portfolio planning as input to develop a statewide portfolio to guide resource allocation and prioritization decisions.

NEW SECTION. Sec. 709. An agency information technology portfolio shall serve as the basis for making information technology decisions and plans which may include, but are not limited to:

(1) System refurbishment, acquisitions, and development efforts;

(2) Setting goals and objectives for using information technology;

(3) Assessments of information processing performance, resources, and capabilities;

(4) Ensuring the appropriate transfer of technological expertise for the operation of new systems developed using external resources;

(5) Guiding new investment demand, prioritization, selection, performance, and asset value of technology and telecommunications; and

(6) Progress toward providing electronic access to public information.

NEW SECTION. Sec. 710. (1) Each agency shall develop an information technology portfolio consistent with RCW 43.105.172 (as recodified by this act). The superintendent of public instruction shall develop its portfolio in conjunction with educational service districts and statewide or regional providers of K-12 education information technology services.

(2) Agency portfolios shall include, but not be limited to, the following:

(a) A baseline assessment of the agency's information technology resources and capabilities that will serve as the benchmark for subsequent planning and performance measures;

(b) A statement of the agency's mission, goals, and objectives for information technology, including goals and objectives for achieving electronic access to agency records, information, and services;

(c) An explanation of how the agency's mission, goals, and objectives for information technology support and conform to the state strategic information technology plan developed under section 707 of this act;

(d) An implementation strategy to provide electronic access to public records and information. This implementation strategy must be assembled to include:

(i) Compliance with Title 40 RCW;

(ii) Adequate public notice and opportunity for comment;

(iii) Consideration of a variety of electronic technologies, including those that help transcend geographic locations, standard business hours, economic conditions of users, and disabilities;

(iv) Methods to educate both state employees and the public in the effective use of access technologies;

(e) Projects and resources required to meet the objectives of the portfolio; and

(f) Where feasible, estimated schedules and funding required to implement identified projects.

(3) Portfolios developed under subsection (1) of this section shall be submitted to the office for review and approval. The chief information officer may reject, require modification to, or approve

portfolios as deemed appropriate. Portfolios submitted under this subsection shall be updated and submitted for review and approval as necessary.

(4) Each agency shall prepare and submit to the office a biennial performance report that evaluates progress toward the objectives articulated in its information technology portfolio and the strategic priorities of the state. The superintendent of public instruction shall develop its portfolio in conjunction with educational service districts and statewide or regional providers of K-12 education information technology services. The report shall include:

(a) An evaluation of the agency's performance relating to information technology;

(b) An assessment of progress made toward implementing the agency information technology portfolio;

(c) Progress toward electronic access to public information and enabling citizens to have two-way interaction for obtaining information and services from agencies; and

(d) An inventory of agency information services, equipment, and proprietary software.

(5) The office shall establish standards, elements, form, and format for plans and reports developed under this section.

(6) Agency activities to increase electronic access to public records and information, as required by this section, must be implemented within available resources and existing agency planning processes.

(7) The office may exempt any agency from any or all of the requirements of this section.

BUDGET REVIEW

NEW SECTION. Sec. 711. (1) At the request of the director of financial management, the office shall evaluate both state agency information technology current spending and technology budget requests, including those proposed by the superintendent of public instruction, in conjunction with educational service districts, or statewide or regional providers of K-12 education information technology services. The office shall submit recommendations for funding all or part of such requests to the director of financial management. The office shall also submit recommendations regarding consolidation and coordination of similar proposals or other efficiencies it finds in reviewing proposals.

(2) The office shall establish criteria, consistent with portfolio-based information technology management, for the evaluation of agency budget requests under this section. Technology budget requests shall be evaluated in the context of the state's information technology portfolio; technology initiatives underlying budget requests are subject to review by the office. Criteria shall include, but not be limited to: Feasibility of the proposed projects, consistency with the state strategic information technology plan and the state enterprise architecture, consistency with information technology portfolios, appropriate provision for public electronic access to information, evidence of business process streamlining and gathering of business and technical requirements, services, duration of investment, costs, and benefits.

PROJECT MANAGEMENT OVERSIGHT

NEW SECTION. Sec. 712. (1) The office shall establish standards and policies governing the planning, implementation, and evaluation of major information technology projects, including those proposed by the superintendent of public instruction, in conjunction with educational service districts, or statewide or regional providers of K-12 education information technology services. The standards and policies shall:

(a) Establish criteria to identify projects which are subject to this section. Such criteria shall include, but not be limited to, significant anticipated cost, complexity, or statewide significance of the project; and

(b) Establish a model process and procedures which state agencies shall follow in developing and implementing projects within

their information technology portfolios. This process may include project oversight experts or panels, as appropriate. Agencies may propose, for approval by the office, a process and procedures unique to the agency. The office may accept or require modification of such agency proposals or the office may reject such agency proposals and require use of the model process and procedures established under this subsection. Any process and procedures developed under this subsection shall require (i) distinct and identifiable phases upon which funding may be based, (ii) user validation of products through system demonstrations and testing of prototypes and deliverables, and (iii) other elements identified by the office.

The chief information officer may suspend or terminate a major project, and direct that the project funds be placed into unallotted reserve status, if the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance standards.

(2) The office of financial management shall establish policies and standards consistent with portfolio-based information technology management to govern the funding of projects developed under this section. The policies and standards shall provide for:

(a) Funding of a project under terms and conditions mutually agreed to by the chief information officer, the director of financial management, and the head of the agency proposing the project. However, the office of financial management may require incremental funding of a project on a phase-by-phase basis whereby funds for a given phase of a project may be released only when the office of financial management determines, with the advice of the office, that the previous phase is satisfactorily completed; and

(b) Other elements deemed necessary by the office of financial management.

NEW SECTION. Sec. 713. (1) Prior to making a commitment to purchase, acquire, or develop a major information technology project or service, state agencies must provide a proposal to the office outlining the business case of the proposed product or service, including the upfront and ongoing cost of the proposal.

(2) Within sixty days of receipt of a proposal, the office shall approve the proposal, reject it, or propose modifications.

(3) In reviewing a proposal, the office must determine whether the product or service is consistent with:

(a) The standards and policies developed by the office pursuant to section 706 of this act; and

(b) The state's enterprise-based strategy.

(4) If a substantially similar product or service is offered by the consolidated technology services agency established in RCW 43.105.047, the office may require the agency to procure the product or service through the consolidated technology services agency, if doing so would benefit the state as an enterprise.

(5) The office shall provide guidance to agencies as to what threshold of information technology spending constitutes a major information technology product or service under this section.

ENTERPRISE ARCHITECTURE

NEW SECTION. Sec. 714. (1) The office shall develop an enterprise-based strategy for information technology in state government informed by portfolio management planning and information technology expenditure information collected from state agencies pursuant to RCW 43.88.092.

(2)(a) The office shall develop an ongoing enterprise architecture program for translating business vision and strategy into effective enterprise change. This program will create, communicate, and improve the key principles and models that describe the enterprise's future state and enable its evolution, in keeping with the priorities of government and the information technology strategic plan.

(b) The enterprise architecture program will facilitate business process collaboration among agencies statewide; improving the reliability, interoperability, and sustainability of the business processes that state agencies use.

In developing an enterprise-based strategy for the state, the office is encouraged to consider the following strategies as possible opportunities for achieving greater efficiency:

(i) Developing evaluation criteria for deciding which common enterprise-wide business processes should become managed as enterprise services;

(ii) Developing a roadmap of priorities for creating enterprise services;

(iii) Developing decision criteria for determining implementation criteria for centralized or decentralized enterprise services;

(iv) Developing evaluation criteria for deciding which technology investments to continue, hold, or drop; and

(v) Performing such other duties as may be assigned by the office to promote effective enterprise change.

(c) The program will establish performance measurement criteria for each of its initiatives; will measure the success of those initiatives; and will assess its quarterly results with the chief information officer to determine whether to continue, revise, or disband the initiative.

ADVISORY BOARD--CREATION AND DUTIES

NEW SECTION. Sec. 715. The technology services board is created within the office of the chief information officer.

(1) The board shall be composed of thirteen members. Six members shall be appointed by the governor, three of whom shall be representatives of state agencies or institutions, and three of whom shall be representatives of the private sector. Of the state agency representatives, at least one of the representatives must have direct experience using the software projects overseen by the board or reasonably expect to use the new software developed under the oversight of the board. Two members shall represent the house of representatives and shall be selected by the speaker of the house of representatives with one representative chosen from each major caucus of the house of representatives; two members shall represent the senate and shall be appointed by the president of the senate with one representative chosen from each major caucus of the senate. One member shall be the chief information officer who shall be a voting member of the board and serve as chair. Two nonvoting members with information technology expertise must be appointed by the governor as follows:

(a) One member representing state agency bargaining units shall be selected from a list of three names submitted by each of the general government exclusive bargaining representatives; and

(b) One member representing local governments shall be selected from a list of three names submitted by commonly recognized local government organizations.

The governor may reject all recommendations and request new recommendations.

(2) Of the initial members, three must be appointed for a one-year term, three must be appointed for a two-year term, and four must be appointed for a three-year term. Thereafter, members must be appointed for three-year terms.

(3) Vacancies shall be filled in the same manner that the original appointments were made for the remainder of the member's term.

(4) Members of the board shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(5) The office shall provide staff support to the board.

NEW SECTION. Sec. 716. The board shall have the following powers and duties related to information services:

(1) To review and approve standards and procedures, developed by the office of the chief information officer, governing the acquisition and disposition of equipment, proprietary software, and purchased services, licensing of the radio spectrum by or on behalf of state agencies, and confidentiality of computerized data;

(2) To review and approve statewide or interagency technical policies, standards, and procedures developed by the office of the chief information officer;

(3) To review, approve, and provide oversight of major information technology projects to ensure that no major information technology project proposed by a state agency is approved or authorized funding by the board without consideration of the technical and financial business case for the project, including a review of:

(a) The total cost of ownership across the life of the project;

(b) All major technical options and alternatives analyzed, and reviewed, if necessary, by independent technical sources; and

(c) Whether the project is technically and financially justifiable when compared against the state's enterprise-based strategy, long-term technology trends, and existing or potential partnerships with private providers or vendors;

(4) To review and approve standards and common specifications for new or expanded telecommunications networks proposed by agencies, public postsecondary education institutions, educational service districts, or statewide or regional providers of K-12 information technology services, and to assure the cost-effective development and incremental implementation of a statewide video telecommunications system to serve: Public schools; educational service districts; vocational-technical institutes; community colleges; colleges and universities; state and local government; and the general public through public affairs programming;

(5) To develop a policy to determine whether a proposed project, product, or service should undergo an independent technical and financial analysis prior to submitting a request to the office of financial management for the inclusion in any proposed operating, capital, or transportation budget;

(6) To approve contracting for services and activities under RCW 41.06.142(7) for the consolidated technology service agency. To approve any service or activity to be contracted under RCW 41.06.142(7)(b), the board must also review the proposed business plan and recommendation submitted by the office;

(7) To consider, on an ongoing basis, ways to promote strategic investments in enterprise-level information technology projects that will result in service improvements and cost efficiency;

(8) To provide a forum to solicit external expertise and perspective on developments in information technology, enterprise architecture, standards, and policy development; and

(9) To provide a forum where ideas and issues related to information technology plans, policies, and standards can be reviewed.

INTEROPERABILITY COMMITTEE--TRANSFER FROM DEPARTMENT OF INFORMATION SERVICES

NEW SECTION. Sec. 717. (1) The chief information officer shall appoint a state interoperability executive committee, the membership of which must include, but not be limited to, representatives of the military department, the Washington state patrol, the department of transportation, the office of the chief information officer, the department of natural resources, city and county governments, state and local fire chiefs, police chiefs, and sheriffs, and state and local emergency management directors. The chair and legislative members of the board will serve as nonvoting ex officio members of the committee. Voting membership may not exceed fifteen members.

(2) The chief information officer shall appoint the chair of the committee from among the voting members of the committee.

(3) The state interoperability executive committee has the following responsibilities:

(a) Develop policies and make recommendations to the office for technical standards for state wireless radio communications systems, including emergency communications systems. The standards must address, among other things, the interoperability of systems, taking into account both existing and future systems and technologies;

(b) Coordinate and manage on behalf of the office the licensing and use of state-designated and state-licensed radio frequencies, including the spectrum used for public safety and emergency communications, and serve as the point of contact with the federal communications commission on matters relating to allocation, use, and licensing of radio spectrum;

(c) Coordinate the purchasing of all state wireless radio communications system equipment to ensure that:

(i) After the transition from a radio over internet protocol network, any new trunked system shall be, at a minimum, project-25;

(ii) Any new system that requires advanced digital features shall be, at a minimum, project-25; and

(iii) Any new system or equipment purchases shall be, at a minimum, upgradable to project-25;

(d) Seek support, including possible federal or other funding, for state-sponsored wireless communications systems;

(e) Develop recommendations for legislation that may be required to promote interoperability of state wireless communications systems;

(f) Foster cooperation and coordination among public safety and emergency response organizations;

(g) Work with wireless communications groups and associations to ensure interoperability among all public safety and emergency response wireless communications systems; and

(h) Perform such other duties as may be assigned by the office to promote interoperability of wireless communications systems.

(4) The office shall provide administrative support to the committee.

K-20 GOVERNANCE AND OPERATIONS OVERSIGHT-- TRANSFER FROM

DEPARTMENT OF INFORMATION SERVICES

NEW SECTION. Sec. 718. (1) The office has the duty to govern and oversee the technical design, implementation, and operation of the K-20 network including, but not limited to, the following duties: Establishment and implementation of K-20 network technical policy, including technical standards and conditions of use; review and approval of network design; and resolving user/provider disputes.

(2) The office has the following powers and duties:

(a) In cooperation with the educational sectors and other interested parties, to establish goals and measurable objectives for the network;

(b) To ensure that the goals and measurable objectives of the network are the basis for any decisions or recommendations regarding the technical development and operation of the network;

(c) To adopt, modify, and implement policies to facilitate network development, operation, and expansion. Such policies may include but need not be limited to the following issues: Quality of educational services; access to the network by recognized organizations and accredited institutions that deliver educational programming, including public libraries; prioritization of programming within limited resources; prioritization of access to the system and the sharing of technological advances; network security; identification and evaluation of emerging technologies for delivery of educational programs; future expansion or redirection of the system; network fee structures; and costs for the development and operation of the network;

(d) To prepare and submit to the governor and the legislature a coordinated budget for network development, operation, and expansion. The budget shall include the chief information officer's recommendations on (i) any state funding requested for network transport and equipment, distance education facilities and hardware or software specific to the use of the network, and proposed new network end sites, (ii) annual copayments to be charged to public educational sector institutions and other public entities connected to the network, and (iii) charges to nongovernmental entities connected to the network;

(e) To adopt and monitor the implementation of a methodology to evaluate the effectiveness of the network in achieving the educational goals and measurable objectives;

(f) To establish by rule acceptable use policies governing user eligibility for participation in the K-20 network, acceptable uses of network resources, and procedures for enforcement of such policies. The office shall set forth appropriate procedures for enforcement of acceptable use policies, that may include suspension of network connections and removal of shared equipment for violations of network conditions or policies. The office shall have sole responsibility for the implementation of enforcement procedures relating to technical conditions of use.

NEW SECTION. Sec. 719. The office shall maintain, in consultation with the K-20 network users, the K-20 operations cooperative, which shall be responsible for day-to-day network management, technical network status monitoring, technical problem response coordination, and other duties as agreed to by the office and the educational sectors. Funding for the K-20 operations cooperative shall be provided from the education technology revolving fund under RCW 43.105.835 (as recodified by this act).

NEW SECTION. Sec. 720. The chief information officer, in conjunction with the K-20 network users, shall maintain a technical plan of the K-20 telecommunications system and ongoing system enhancements. The office shall ensure that the technical plan adheres to the goals and objectives established under section 706 of this act. The technical plan shall provide for:

(1) A telecommunications backbone connecting educational service districts, the main campuses of public baccalaureate institutions, the branch campuses of public research institutions, and the main campuses of community colleges and technical colleges.

(2)(a) Connection to the K-20 network by entities that include, but need not be limited to: School districts, public higher education off-campus and extension centers, and branch campuses of community colleges and technical colleges, as prioritized by the chief information officer; (b) distance education facilities and components for entities listed in this subsection and subsection (1) of this section; and (c) connection for independent nonprofit institutions of higher education, provided that:

(i) The chief information officer and each independent nonprofit institution of higher education to be connected agree in writing to terms and conditions of connectivity. The terms and conditions shall ensure, among other things, that the provision of K-20 services does not violate Article VIII, section 5 of the state Constitution and that the institution shall adhere to K-20 network policies; and

(ii) The chief information officer determines that inclusion of the independent nonprofit institutions of higher education will not significantly affect the network's eligibility for federal universal service fund discounts or subsidies.

(3) Subsequent phases may include, but need not be limited to, connections to public libraries, state and local governments, community resource centers, and the private sector.

NEW SECTION. Sec. 721. (1) In overseeing the technical aspects of the K-20 network, the office is not intended to duplicate the statutory responsibilities of the higher education coordinating board, the superintendent of public instruction, the state librarian, or the governing boards of the institutions of higher education.

(2) The office may not interfere in any curriculum or legally offered programming offered over the K-20 network.

(3) The responsibility to review and approve standards and common specifications for the K-20 network remains the responsibility of the office under section 706 of this act.

(4) The coordination of telecommunications planning for the common schools remains the responsibility of the superintendent of public instruction. Except as set forth in section 706(2)(f) of this act, the office may recommend, but not require, revisions to the superintendent's telecommunications plans.

Sec. 722. RCW 43.105.835 and 2004 c 276 s 910 are each amended to read as follows:

(1) The education technology revolving fund is created in the custody of the state treasurer. All receipts from billings under subsection (2) of this section must be deposited in the revolving fund. Only the ~~((director of the department of information services or the director's designee))~~ chief information officer or the chief information officer's designee may authorize expenditures from the fund. The revolving fund shall be used to pay for K-20 network operations, transport, equipment, software, supplies, and services, maintenance and depreciation of on-site data, and shared infrastructure, and other costs incidental to the development, operation, and administration of shared educational information technology services, telecommunications, and systems. The revolving fund shall not be used for the acquisition, maintenance, or operations of local telecommunications infrastructure or the maintenance or depreciation of on-premises video equipment specific to a particular institution or group of institutions.

(2) The revolving fund and all disbursements from the revolving fund are subject to the allotment procedure under chapter 43.88 RCW, but an appropriation is not required for expenditures. The ~~((department of information services))~~ office shall, ~~((in consultation with entities connected to the network under RCW 43.105.820 and))~~ subject to the review and approval of the office of financial management, establish and implement a billing structure for network services identified in subsection (1) of this section.

(3) The ~~((department))~~ office shall charge those public entities connected to the K-20 ~~((telecommunications [telecommunication system] under RCW 43.105.820))~~ telecommunications system under section 720 of this act an annual copayment per unit of transport connection as determined by the legislature after consideration of the ~~((K-20))~~ board's recommendations. This copayment shall be deposited into the revolving fund to be used for the purposes in subsection (1) of this section. It is the intent of the legislature to appropriate to the revolving fund such moneys as necessary to cover the costs for transport, maintenance, and depreciation of data equipment located at the individual public institutions, maintenance and depreciation of the K-20 network backbone, and services provided to the network under ~~((RCW 43.105.815.~~

~~(4) During the 2003-05 biennium, the legislature may transfer moneys from the education technology revolving fund to the state general fund and the data processing revolving fund such amounts as reflect the excess fund balance of the account))~~ section 718 of this act.

GENERAL PROVISIONS RELATED TO OFFICE OF CHIEF INFORMATION OFFICER

NEW SECTION. Sec. 723. A new section is added to chapter 41.06 RCW to read as follows:

In addition to the exemptions under RCW 41.06.070, the provisions of this chapter do not apply in the office of the chief information officer to the chief information officer, the chief information officer's confidential secretary, assistant directors, and any other exempt staff members provided for in section 703 of this act.

Sec. 724. RCW 43.105.290 and 1996 c 171 s 13 are each amended to read as follows:

The state library, with the assistance of the ~~((department of information services))~~ office and the state archives, shall establish a pilot project to design and test an electronic information locator system, allowing members of the public to locate and access electronic public records. In designing the system, the following factors shall be considered: (1) Ease of operation by citizens; (2) access through multiple technologies, such as direct dial and toll-free numbers, kiosks, and the internet; (3) compatibility with private online services; and (4) capability of expanding the electronic public records included in the system. The pilot project may restrict the type and quality of electronic public records that are included in the system

to test the feasibility of making electronic public records and information widely available to the public.

Sec. 725. RCW 28A.650.015 and 2009 c 556 s 17 are each amended to read as follows:

(1) The superintendent of public instruction, to the extent funds are appropriated, shall develop and implement a Washington state K-12 education technology plan. The technology plan shall be updated on at least a biennial basis, shall be developed to coordinate and expand the use of education technology in the common schools of the state. The plan shall be consistent with applicable provisions of chapter 43.105 RCW. The plan, at a minimum, shall address:

(a) The provision of technical assistance to schools and school districts for the planning, implementation, and training of staff in the use of technology in curricular and administrative functions;

(b) The continued development of a network to connect school districts, institutions of higher learning, and other sources of online information; and

(c) Methods to equitably increase the use of education technology by students and school personnel throughout the state.

(2) The superintendent of public instruction shall appoint an educational technology advisory committee to assist in the development and implementation of the technology plan in subsection (1) of this section. The committee shall include, but is not limited to, persons representing: The ~~((department of information services))~~ office of the chief information officer, educational service districts, school directors, school administrators, school principals, teachers, classified staff, higher education faculty, parents, students, business, labor, scientists and mathematicians, the higher education coordinating board, the workforce training and education coordinating board, and the state library.

(3) The plan adopted and implemented under this section may not impose on school districts any requirements that are not specifically required by federal law or regulation, including requirements to maintain eligibility for the federal schools and libraries program of the universal service fund.

Sec. 726. RCW 39.94.040 and 2010 1st sp.s. c 36 s 6015 and 2010 1st sp.s. c 35 s 406 are each reenacted and amended to read as follows:

(1) Except as provided in RCW 28B.10.022, the state may not enter into any financing contract for itself if the aggregate principal amount payable thereunder is greater than an amount to be established from time to time by the state finance committee or participate in a program providing for the issuance of certificates of participation, including any contract for credit enhancement, without the prior approval of the state finance committee. Except as provided in RCW 28B.10.022, the state finance committee shall approve the form of all financing contracts or a standard format for all financing contracts. The state finance committee also may:

(a) Consolidate existing or potential financing contracts into master financing contracts with respect to property acquired by one or more agencies, departments, instrumentalities of the state, the state board for community and technical colleges, or a state institution of higher learning; or to be acquired by another agency;

(b) Approve programs providing for the issuance of certificates of participation in master financing contracts for the state or for other agencies;

(c) Enter into agreements with trustees relating to master financing contracts; and

(d) Make appropriate rules for the performance of its duties under this chapter.

(2) In the performance of its duties under this chapter, the state finance committee may consult with representatives from the department of general administration, the office of financial management, and the ~~((department of information services))~~ office of the chief information officer.

(3) With the approval of the state finance committee, the state also may enter into agreements with trustees relating to financing contracts and the issuance of certificates of participation.

(4) Except for financing contracts for real property used for the purposes described under chapter 28B.140 RCW, the state may not enter into any financing contract for real property of the state without prior approval of the legislature. For the purposes of this requirement, a financing contract must be treated as used for real property if it is being entered into by the state for the acquisition of land; the acquisition of an existing building; the construction of a new building; or a major remodeling, renovation, rehabilitation, or rebuilding of an existing building. Prior approval of the legislature is not required under this chapter for a financing contract entered into by the state under this chapter for energy conservation improvements to existing buildings where such improvements include: (a) Fixtures and equipment that are not part of a major remodeling, renovation, rehabilitation, or rebuilding of the building, or (b) other improvements to the building that are being performed for the primary purpose of energy conservation. Such energy conservation improvements must be determined eligible for financing under this chapter by the office of financial management in accordance with financing guidelines established by the state treasurer, and are to be treated as personal property for the purposes of this chapter.

(5) The state may not enter into any financing contract on behalf of another agency without the approval of such a financing contract by the governing body of the other agency.

Sec. 727. RCW 40.14.020 and 2002 c 358 s 4 are each amended to read as follows:

All public records shall be and remain the property of the state of Washington. They shall be delivered by outgoing officials and employees to their successors and shall be preserved, stored, transferred, destroyed or disposed of, and otherwise managed, only in accordance with the provisions of this chapter. In order to insure the proper management and safeguarding of public records, the division of archives and records management is established in the office of the secretary of state. The state archivist, who shall administer the division and have reasonable access to all public records, wherever kept, for purposes of information, surveying, or cataloguing, shall undertake the following functions, duties, and responsibilities:

(1) To manage the archives of the state of Washington;

(2) To centralize the archives of the state of Washington, to make them available for reference and scholarship, and to insure their proper preservation;

(3) To inspect, inventory, catalog, and arrange retention and transfer schedules on all record files of all state departments and other agencies of state government;

(4) To insure the maintenance and security of all state public records and to establish safeguards against unauthorized removal or destruction;

(5) To establish and operate such state record centers as may from time to time be authorized by appropriation, for the purpose of preserving, servicing, screening and protecting all state public records which must be preserved temporarily or permanently, but which need not be retained in office space and equipment;

(6) To adopt rules under chapter 34.05 RCW:

(a) Setting standards for the durability and permanence of public records maintained by state and local agencies;

(b) Governing procedures for the creation, maintenance, transmission, cataloging, indexing, storage, or reproduction of photographic, optical, electronic, or other images of public documents or records in a manner consistent with current standards, policies, and procedures of the ~~((department of information services))~~ office of the chief information officer for the acquisition of information technology;

(c) Governing the accuracy and durability of, and facilitating access to, photographic, optical, electronic, or other images used as public records; or

(d) To carry out any other provision of this chapter;

(7) To gather and disseminate to interested agencies information on all phases of records management and current practices, methods, procedures, techniques, and devices for efficient and economical management and preservation of records;

(8) To operate a central microfilming bureau which will microfilm, at cost, records approved for filming by the head of the office of origin and the archivist; to approve microfilming projects undertaken by state departments and all other agencies of state government; and to maintain proper standards for this work;

(9) To maintain necessary facilities for the review of records approved for destruction and for their economical disposition by sale or burning; directly to supervise such destruction of public records as shall be authorized by the terms of this chapter;

(10) To assist and train state and local agencies in the proper methods of creating, maintaining, cataloging, indexing, transmitting, storing, and reproducing photographic, optical, electronic, or other images used as public records;

(11) To solicit, accept, and expend donations as provided in RCW 43.07.037 for the purpose of the archive program. These purposes include, but are not limited to, acquisition, accession, interpretation, and display of archival materials. Donations that do not meet the criteria of the archive program may not be accepted.

Sec. 728. RCW 42.17.460 and 1999 c 401 s 1 are each amended to read as follows:

It is the intent of the legislature to ensure that the commission provide the general public timely access to all contribution and expenditure reports submitted by candidates, continuing political committees, bona fide political parties, lobbyists, and lobbyists' employers. The legislature finds that failure to meet goals for full and timely disclosure threatens to undermine our electoral process.

Furthermore, the legislature intends for the commission to consult with the ~~((department of information services))~~ office of the chief information officer as it seeks to implement chapter 401, Laws of 1999, and that the commission follow the standards and procedures established by the ~~((department of information services))~~ office of the chief information officer in chapter 43.105 RCW as they relate to information technology.

Sec. 729. RCW 42.17.467 and 1999 c 401 s 5 are each amended to read as follows:

In preparing the information technology plan, the commission shall consult with affected state agencies, the ~~((department of information services))~~ office of the chief information officer, and stakeholders in the commission's work, including representatives of political committees, bona fide political parties, news media, and the general public.

Sec. 730. RCW 42.17.469 and 1999 c 401 s 6 are each amended to read as follows:

The commission shall submit the information technology plan to the senate and house of representatives fiscal committees, the governor, the senate state and local government committee, the house of representatives state government committee, and the ~~((department of information services))~~ office of the chief information officer by February 1, 2000. It is the intent of the legislature that the commission thereafter comply with the requirements of chapter 43.105 RCW with respect to preparation and submission of biennial performance reports on the commission's information technology.

Sec. 731. RCW 42.17.471 and 1999 c 401 s 7 are each amended to read as follows:

The commission shall prepare and submit to the ~~((department of information services))~~ office of the chief information officer a biennial performance report ~~((in accordance with chapter 43.105 RCW)).~~

The report must include:

(1) An evaluation of the agency's performance relating to information technology;

(2) An assessment of progress made toward implementing the agency information technology plan;

(3) An analysis of the commission's performance measures, set forth in RCW 42.17.463, that relate to the electronic filing of reports and timely public access to those reports via the commission's web site;

(4) A comprehensive description of the methods by which citizens may interact with the agency in order to obtain information and services from the commission; and

(5) An inventory of agency information services, equipment, and proprietary software.

Sec. 732. RCW 42.17A.060 and 1999 c 401 s 1 are each amended to read as follows:

It is the intent of the legislature to ensure that the commission provide the general public timely access to all contribution and expenditure reports submitted by candidates, continuing political committees, bona fide political parties, lobbyists, and lobbyists' employers. The legislature finds that failure to meet goals for full and timely disclosure threatens to undermine our electoral process.

Furthermore, the legislature intends for the commission to consult with the (~~department of information services~~) office of the chief information officer as it seeks to implement chapter 401, Laws of 1999, and that the commission follow the standards and procedures established by the (~~department of information services~~) office of the chief information officer in chapter 43.105 RCW as they relate to information technology.

Sec. 733. RCW 43.88.092 and 2010 c 282 s 3 are each amended to read as follows:

(1) As part of the biennial budget process, the office of financial management shall collect from agencies, and agencies shall provide, information to produce reports, summaries, and budget detail sufficient to allow review, analysis, and documentation of all current and proposed expenditures for information technology by state agencies. Information technology budget detail must be included as part of the budget submittal documentation required pursuant to RCW 43.88.030.

(2) The office of financial management must collect, and present as part of the biennial budget documentation, information for all existing information technology projects as defined by information services board policy. The office of financial management must work with the (~~department of information services~~) office of the chief information officer to maximize the ability to draw this information from the information technology portfolio management data collected by the department of information services pursuant to RCW 43.105.170. Connecting project information collected through the portfolio management process with financial data developed under subsection (1) of this section provides transparency regarding expenditure data for existing technology projects.

(3) The biennial budget documentation submitted by the office of financial management pursuant to RCW 43.88.030 must include an information technology plan and a technology budget for the state identifying current baseline funding for information technology, proposed (~~large~~) and ongoing major information technology projects, and their associated costs. This plan and technology budget must be presented using a method similar to the capital budget, identifying project costs through stages of the project and across fiscal periods and biennia from project initiation to implementation. This information must be submitted electronically, in a format to be determined by the office of financial management and the legislative evaluation and accountability program committee.

(4) The office of financial management shall also institute a method of accounting for information technology-related

expenditures, including creating common definitions for what constitutes an information technology investment.

(5) For the purposes of this section, "major information technology projects" includes projects that have a significant anticipated cost, complexity, or are of statewide significance, such as enterprise-level solutions, enterprise resource planning, and shared services initiatives.

Sec. 734. RCW 43.105.410 and 2010 c 282 s 2 are each amended to read as follows:

(1) State agencies that are purchasing wireless devices or services must make such purchases through the state master contract, unless the state agency provides to the office of (~~financial management~~) the chief information officer evidence that the state agency is securing its wireless devices or services from another source for a lower cost than through participation in the state master contract.

(2) For the purposes of this section, "state agency" means any office, department, board, commission, or other unit of state government, but does not include a unit of state government headed by a statewide elected official, an institution of higher education as defined in RCW 28B.10.016, the higher education coordinating board, the state board for community and technical colleges, or agencies of the legislative or judicial branches of state government.

STATE DATA CENTER

NEW SECTION. Sec. 735. (1) Except as provided by subsection (2) of this section, state agencies shall locate all existing and new servers in the state data center.

(2) Agencies with a service requirement that requires servers to be located outside the state data center must receive a waiver from the office. Waivers must be based upon written justification from the requesting agency citing specific service or performance requirements for locating servers outside the state's common platform.

(3) The office, in consultation with the office of financial management, shall continue to develop the business plan and migration schedule for moving all state agencies into the state data center.

(4) The legislature and the judiciary, which are constitutionally recognized as separate branches of government, may enter into an interagency agreement with the office to migrate its servers into the state data center.

(5) This section does not apply to institutions of higher education.

MIGRATION TO A CENTRAL SERVICE PROVIDER

NEW SECTION. Sec. 736. (1) The office shall conduct a needs assessment and develop a migration strategy to ensure that, over time, all state agencies are moving towards using the consolidated technology services agency established in RCW 43.105.047 as their central service provider for all utility-based infrastructure services, including centralized PC and infrastructure support. Agency specific application services shall remain managed within individual agencies.

(2) The office shall develop short-term and long-term objectives as part of the migration strategy.

(3) For the purposes of this section, "utility-based infrastructure services" includes personal computer and portable device support, servers and server administration, security administration, network administration, telephony, e-mail, and other information technology services commonly utilized by state agencies.

(4) This section does not apply to institutions of higher education.

PART VIII

CREATING THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

NEW SECTION. Sec. 801. A new section is added to chapter 43.105 RCW to read as follows:

To achieve maximum benefit from advances in information technology the state establishes a centralized provider and procurer of certain information technology services as an agency to support the needs of state agencies. This agency shall be known as the consolidated technology services agency. To ensure maximum benefit to the state, state agencies shall rely on the consolidated

technology services agency for those services with a business case of broad use, uniformity, scalability, and price sensitivity to aggregation and volume.

To successfully meet agency needs and meet its obligation as the primary service provider for these services, the consolidated technology services agency must offer high quality services at the lowest possible price. It must be able to attract an adaptable and competitive workforce, be authorized to procure services where the business case justifies it, and be accountable to its customers for the efficient and effective delivery of critical business services.

The consolidated technology services agency is established as an agency in state government. The agency is established with clear accountability to the agencies it serves and to the public. This accountability will come through enhanced transparency in the agency's operation and performance. The agency is also established with broad flexibility to adapt its operations and service catalog to address the needs of customer agencies, and to do so in the most cost-effective ways.

Sec. 802. RCW 43.105.020 and 2010 1st sp.s. c 7 s 64 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) ("Administrator" means the community technology opportunity program administrator designated by the department.

(2) "Backbone network" means the shared high-density portions of the state's telecommunications transmission facilities. It includes specially conditioned high-speed communications carrier lines, multiplexors, switches associated with such communications lines, and any equipment and software components necessary for management and control of the backbone network.

(3) "Board" means the information services board.

(4) "Broadband" means a high-speed, high capacity transmission medium, using land-based, satellite, wireless, or any other mechanism, that can carry either signals or transmit data, or both, over long distances by using a wide range of frequencies.

(5) "Committee" means the state interoperability executive committee.

(6) "Common vendor registration and bid notification system" has the definition in RCW 39.29.006.

(7) "Community technology programs" means programs that are engaged in diffusing information and communications technology in local communities, particularly in unserved and underserved areas of the state. These programs may include, but are not limited to, programs that provide education and skill-building opportunities, hardware and software, internet connectivity, digital media literacy, development of locally relevant content, and delivery of vital services through technology.

(8) "Council" means the advisory council on digital inclusion created in RCW 43.105.400.

(9) "Department" means the department of information services.

(10))) "Agency" means the consolidated technology services agency.

(2) "Customer agencies" means all entities that purchase or use information technology resources, telecommunications, or services from the consolidated technology services agency.

(3) "Director" means the director of the ((department) consolidated technology services agency.

((11) "Educational sectors" means those institutions of higher education, school districts, and educational service districts that use the network for distance education, data transmission, and other uses permitted by the K-20 board.

(12))) (4) "Equipment" means the machines, devices, and transmission facilities used in information processing, ((such as) including but not limited to computers, ((word processors,)) terminals, telephones, wireless communications system facilities,

cables, and any physical facility necessary for the operation of such equipment.

((13) "High-speed internet" means broadband.

(14) "Information" includes, but is not limited to, data, text, voice, and video.

(15) "Information processing" means the electronic capture, collection, storage, manipulation, transmission, retrieval, and presentation of information in the form of data, text, voice, or image and includes telecommunications and office automation functions.

(16) "Information services" means data processing, telecommunications, office automation, and computerized information systems.

(17))) (5) "Enterprise architecture" means an ongoing program for translating business vision and strategy into effective enterprise change. It is a continuous activity. Enterprise architecture creates, communicates, and improves the key principles and models that describe the enterprise's future state and enable its evolution.

(6) "Information technology" includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

(7) "Information technology portfolio" or "portfolio" means a strategic management process documenting relationships between agency missions and information technology and telecommunications investments.

~~((18) "K-20 network" means the network established in RCW 43.105.820.~~

~~(19))) (8) "Local governments" includes all municipal and quasi municipal corporations and political subdivisions, and all agencies of such corporations and subdivisions authorized to contract separately.~~

~~((20))) (9) "Oversight" means a process of comprehensive risk analysis and management designed to ensure optimum use of information technology resources and telecommunications.~~

~~((21))) (10) "Proprietary software" means that software offered for sale or license.~~

((22) "Purchased services" means services provided by a vendor to accomplish routine, continuing, and necessary functions. This term includes, but is not limited to, services acquired for equipment maintenance and repair, operation of a physical plant, security, computer hardware and software installation and maintenance, telecommunications installation and maintenance, data entry, keypunch services, programming services, and computer time-sharing.

(23) "Small business" has the definition in RCW 39.29.006.

(24) "Telecommunications" means the transmission of information by wire, radio, optical cable, electromagnetic, or other means.

(25) "Video telecommunications" means the electronic interconnection of two or more sites for the purpose of transmitting and/or receiving visual and associated audio information. Video telecommunications shall not include existing public television broadcast stations as currently designated by the department of commerce under chapter 43.330 RCW.) (11) "Telecommunications" includes, but is not limited to, wireless or wired systems for transport of voice, video, and data communications, network systems, requisite facilities, equipment, system controls, simulation, electronic commerce, and all related interactions between people and machines. "Telecommunications" does not include public safety communications.

Sec. 803. RCW 43.105.047 and 1999 c 80 s 5 are each amended to read as follows:

There is created the ((department of information services)) consolidated technology services agency, an agency of state government. The ((department)) agency shall be headed by a director

appointed by the governor with the consent of the senate. The director shall serve at the governor's pleasure and shall receive such salary as determined by the governor. The director shall:

- (1) Appoint a confidential secretary and such deputy and assistant directors as needed to administer the ~~((department))~~ agency; and
- (2) ~~((Maintain and fund a strategic planning and policy component separate from the services component of the department;~~
- (3) Appoint, after consulting with the board, the assistant or deputy director for the planning component;
- (4)) Appoint such professional, technical, and clerical assistants and employees as may be necessary to perform the duties imposed by this chapter((;
- (5) Report to the governor and the board any matters relating to abuses and evasions of this chapter; and
- (6) Recommend statutory changes to the governor and the board)).

Sec. 804. RCW 43.105.052 and 2010 1st sp.s. c 7 s 16 are each amended to read as follows:

The ~~((department))~~ agency shall:

- (1) (Perform all duties and responsibilities the board delegates to the department, including but not limited to:
 - (a) The review of agency information technology portfolios and related requests; and
 - (b) Implementation of statewide and interagency policies, standards, and guidelines;
- (2)) Make available information services to ~~((state))~~ public agencies ~~((and local governments))~~ and public benefit nonprofit corporations ~~((on a full cost-recovery basis))~~. For the purposes of this section "public agency" means any agency of this state or another state; any political subdivision, or unit of local government of this state or another state including, but not limited to, municipal corporations, quasi-municipal corporations, special purpose districts, and local service districts; any agency of the United States; and any Indian tribe recognized as such by the federal government and "public benefit nonprofit corporation" means a public benefit nonprofit corporation as defined in RCW 24.03.005 that is receiving local, state, or federal funds either directly or through a public agency other than an Indian tribe or political subdivision of another state. These services may include, but are not limited to:
 - (a) Telecommunications services for voice, data, and video;
 - (b) Mainframe computing services;
 - (c) Support for departmental and microcomputer evaluation, installation, and use;
 - (d) Equipment acquisition assistance, including leasing, brokering, and establishing master contracts;
 - (e) Facilities management services for information technology equipment, equipment repair, and maintenance service;
 - (f) Negotiation with local cable companies and local governments to provide for connection to local cable services to allow for access to these public and educational channels in the state;
 - (g) Office automation services;
 - (h) System development services; and
 - (i) Training.

These services are for discretionary use by customers and customers may elect other alternatives for service if those alternatives are more cost-effective or provide better service. Agencies may be required to use the backbone network portions of the telecommunications services during an initial start-up period not to exceed three years));

~~((3))~~ (2) Establish rates and fees for services provided by the ~~((department to assure that the services component of the department is self-supporting))~~ agency. A billing rate plan shall be developed for a two-year period to coincide with the budgeting process. The rate plan shall be subject to review at least annually by the office of financial management. The rate plan shall show the proposed rates by each cost center and will show the components of the rate structure

as mutually determined by the ~~((department))~~ agency and the office of financial management. ~~((The same rate structure will apply to all user agencies of each cost center.))~~ The rate plan and any adjustments to rates shall be approved by the office of financial management~~((The services component shall not subsidize the operations of the strategic planning and policy component));~~

~~((4))~~ (3) With the advice of the ~~((information services))~~ board and customer agencies, develop a state strategic information technology plan and performance reports as required under ~~((RCW 43.105.160))~~ section 707 of this act;

~~((5))~~ (4) Develop plans for the ~~((department's))~~ agency's achievement of statewide goals and objectives set forth in the state strategic information technology plan required under ~~((RCW 43.105.160. —These plans shall address such services as telecommunications, central and distributed computing, local area networks, office automation, and end user computing. —The department shall seek the advice of the board in the development of these — plans;~~

~~((6) Under direction of the information services board and in collaboration with the department of personnel, and other agencies as may be appropriate, develop training plans and coordinate training programs that are responsive to the needs of agencies;~~

~~((7) Identify opportunities for the effective use of information services and coordinate appropriate responses to those opportunities;~~

~~((8) Assess agencies' projects, acquisitions, plans, information technology portfolios, or overall information processing performance as requested by the board, agencies, the director of financial management, or the legislature. Agencies may be required to reimburse the department for agency requested reviews))~~ section 707 of this act;

~~((9) Develop planning, budgeting, and expenditure reporting requirements, in conjunction with the office of financial management, for agencies to follow;~~

(10) Assist the office of financial management with budgetary and policy review of agency plans for information services;

(11) Provide staff support from the strategic planning and policy component to the board for:

- (a) Meeting preparation, notices, and minutes;
- (b) Promulgation of policies, standards, and guidelines adopted by the board;
- (c) Supervision of studies and reports requested by the board;
- (d) Conducting reviews and assessments as directed by the board;

(12) Be the lead agency in coordinating video telecommunications services for all state agencies and develop, pursuant to board policies, standards and common specifications for leased and purchased telecommunications equipment. The department shall not evaluate the merits of school curriculum, higher education course offerings, or other education and training programs proposed for transmission and/or reception using video telecommunications resources. Nothing in this section shall abrogate or abridge the legal responsibilities of licensees of telecommunications facilities as licensed by the federal communication commission on March 27, 1990;)) and

~~((13))~~ (5) Perform all other matters and things necessary to carry out the purposes and provisions of this chapter.

Sec. 805. RCW 43.19.190 and 2002 c 200 s 3 are each amended to read as follows:

The director of general administration, through the state purchasing and material control director, shall:

(1) Establish and staff such administrative organizational units within the division of purchasing as may be necessary for effective administration of the provisions of RCW 43.19.190 through 43.19.1939;

(2) Purchase all material, supplies, services, and equipment needed for the support, maintenance, and use of all state institutions, colleges, community colleges, technical colleges, college districts,

and universities, the offices of the elective state officers, the supreme court, the court of appeals, the administrative and other departments of state government, and the offices of all appointive officers of the state: PROVIDED, That the provisions of RCW 43.19.190 through 43.19.1937 do not apply in any manner to the operation of the state legislature except as requested by the legislature: PROVIDED, That the provisions of this section and RCW 43.19.1901 through 43.19.1925 do not apply to the acquisition and disposition of equipment, proprietary software, and information technology purchased services by the consolidated technology services agency created in RCW 43.105.047: PROVIDED, That any agency may purchase material, supplies, services, and equipment for which the agency has notified the purchasing and material control director that it is more cost-effective for the agency to make the purchase directly from the vendor: PROVIDED, That primary authority for the purchase of specialized equipment, instructional, and research material for their own use shall rest with the colleges, community colleges, and universities: PROVIDED FURTHER, That universities operating hospitals and the state purchasing and material control director, as the agent for state hospitals as defined in RCW 72.23.010, and for health care programs provided in state correctional institutions as defined in RCW 72.65.010(3) and veterans' institutions as defined in RCW 72.36.010 and 72.36.070, may make purchases for hospital operation by participating in contracts for materials, supplies, and equipment entered into by nonprofit cooperative hospital group purchasing organizations: PROVIDED FURTHER, That primary authority for the purchase of materials, supplies, and equipment for resale to other than public agencies shall rest with the state agency concerned: PROVIDED FURTHER, That authority to purchase services as included herein does not apply to personal services as defined in chapter 39.29 RCW, unless such organization specifically requests assistance from the division of purchasing in obtaining personal services and resources are available within the division to provide such assistance: PROVIDED FURTHER, That the authority for the purchase of insurance and bonds shall rest with the risk manager under RCW ~~((43.19.1935))~~ 43.41.310: PROVIDED FURTHER, That, except for the authority of the risk manager to purchase insurance and bonds, the director is not required to provide purchasing services for institutions of higher education that choose to exercise independent purchasing authority under RCW 28B.10.029: PROVIDED FURTHER, That the authority to purchase interpreter services and interpreter brokerage services on behalf of limited-English speaking or sensory-impaired applicants and recipients of public assistance shall rest with the department of social and health services;

(3) Have authority to delegate to state agencies authorization to purchase or sell, which authorization shall specify restrictions as to dollar amount or to specific types of material, equipment, services, and supplies. Acceptance of the purchasing authorization by a state agency does not relieve such agency from conformance with other sections of RCW 43.19.190 through 43.19.1939, or from policies established by the director. Also, delegation of such authorization to a state agency, including an educational institution to which this section applies, to purchase or sell material, equipment, services, and supplies shall not be granted, or otherwise continued under a previous authorization, if such agency is not in substantial compliance with overall state purchasing and material control policies as established herein;

(4) Contract for the testing of material, supplies, and equipment with public and private agencies as necessary and advisable to protect the interests of the state;

(5) Prescribe the manner of inspecting all deliveries of supplies, materials, and equipment purchased through the division;

(6) Prescribe the manner in which supplies, materials, and equipment purchased through the division shall be delivered, stored, and distributed;

(7) Provide for the maintenance of a catalogue library, manufacturers' and wholesalers' lists, and current market information;

(8) Provide for a commodity classification system and may, in addition, provide for the adoption of standard specifications;

(9) Provide for the maintenance of inventory records of supplies, materials, and other property;

(10) Prepare rules and regulations governing the relationship and procedures between the division of purchasing and state agencies and vendors;

(11) Publish procedures and guidelines for compliance by all state agencies, including those educational institutions to which this section applies, which implement overall state purchasing and material control policies;

(12) Advise state agencies, including educational institutions, regarding compliance with established purchasing and material control policies under existing statutes.

NEW SECTION. Sec. 806. A new section is added to chapter 43.105 RCW to read as follows:

The director shall set performance targets and approve plans for achieving measurable and specific goals for the agency. By January 2012, the appropriate organizational performance and accountability measures and performance targets shall be submitted to the governor. These measures and targets shall include measures of performance demonstrating specific and measurable improvements related to service delivery and costs, operational efficiencies, and overall customer satisfaction. The agency shall develop a dashboard of key performance measures that will be updated quarterly and made available on the agency public web site.

The director shall report to the governor on agency performance at least quarterly. The reports shall be included on the agency's web site and accessible to the public.

Sec. 807. RCW 43.105.057 and 1992 c 20 s 11 are each amended to read as follows:

The ~~((department of information services and the information services board, respectively,))~~ agency shall adopt rules as necessary under chapter 34.05 RCW to implement the provisions of this chapter.

Sec. 808. RCW 43.105.060 and 1987 c 504 s 10 are each amended to read as follows:

State and local government agencies are authorized to enter into any contracts with the ~~((department or its successor))~~ agency which may be necessary or desirable to effectuate the purposes and policies of this chapter or for maximum utilization of facilities and services which are the subject of this chapter.

Sec. 809. RCW 19.34.231 and 1999 c 287 s 12 are each amended to read as follows:

(1) If a signature of a unit of state or local government, including its appropriate officers or employees, is required by statute, administrative rule, court rule, or requirement of the office of financial management, that unit of state or local government shall become a subscriber to a certificate issued by a licensed certification authority for purposes of conducting official public business with electronic records.

(2) A city or county may become a licensed certification authority under RCW 19.34.100 for purposes of providing services to local government, if authorized by ordinance adopted by the city or county legislative authority.

(3) A unit of state government, except the secretary ~~((and the department of information services)),~~ may not act as a certification authority.

Sec. 810. RCW 19.34.420 and 1998 c 33 s 2 are each amended to read as follows:

(1) The following information, when in the possession of the secretary ~~((the department of information services,))~~ or the state auditor for purposes of this chapter, shall not be made available for public disclosure, inspection, or copying, unless the request is made

under an order of a court of competent jurisdiction based upon an express written finding that the need for the information outweighs any reason for maintaining the privacy and confidentiality of the information or records:

(a) A trade secret, as defined by RCW 19.108.010; and

(b) Information regarding design, security, or programming of a computer system used for purposes of licensing or operating a certification authority or repository under this chapter.

(2) The state auditor, or an authorized agent, must be given access to all information referred to in subsection (1) of this section for the purpose of conducting audits under this chapter or under other law, but shall not make that information available for public inspection or copying except as provided in subsection (1) of this section.

Sec. 811. RCW 46.20.157 and 1999 c 6 s 21 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the department shall annually provide to the ~~((department of information services))~~ consolidated technology services agency an electronic data file. The data file must:

(a) Contain information on all licensed drivers and identicard holders who are eighteen years of age or older and whose records have not expired for more than two years;

(b) Be provided at no charge; and

(c) Contain the following information on each such person: Full name, date of birth, residence address including county, sex, and most recent date of application, renewal, replacement, or change of driver's license or identicard.

(2) Before complying with subsection (1) of this section, the department shall remove from the file the names of any certified participants in the Washington state address confidentiality program under chapter 40.24 RCW that have been identified to the department by the secretary of state.

Sec. 812. RCW 2.36.054 and 1993 c 408 s 3 are each amended to read as follows:

Unless otherwise specified by rule of the supreme court, the jury source list and master jury list for each county shall be created as provided by this section.

(1) The superior court of each county, after consultation with the county clerk and county auditor of that jurisdiction, shall annually notify the ~~((department of information services))~~ consolidated technology services agency not later than March 1 of each year of its election to use either a jury source list that is merged by the county or a jury source list that is merged by the ~~((department of information services))~~ consolidated technology services agency. The ~~((department of information services))~~ consolidated technology services agency shall annually furnish at no charge to the superior court of each county a separate list of the registered voters residing in that county as supplied annually by the secretary of state and a separate list of driver's license and identicard holders residing in that county as supplied annually by the department of licensing, or a merged list of all such persons residing in that county, in accordance with the annual notification required by this subsection. The lists provided by the ~~((department of information services))~~ consolidated technology services agency shall be in an electronic format mutually agreed upon by the superior court requesting it and the department of information services. The annual merger of the list of registered voters residing in each county with the list of licensed drivers and identicard holders residing in each county to form a jury source list for each county shall be in accordance with the standards and methodology established in this chapter or by superseding court rule whether the merger is accomplished by the ~~((department of information services))~~ consolidated technology services agency or by a county.

(2) Persons on the lists of registered voters and driver's license and identicard holders shall be identified by a minimum of last name, first name, middle initial where available, date of birth, gender, and

county of residence. Identifying information shall be used when merging the lists to ensure to the extent reasonably possible that persons are only listed once on the merged list. Conflicts in addresses are to be resolved by using the most recent record by date of last vote in a general election, date of driver's license or identicard address change or date of voter registration.

(3) The ~~((department of information services))~~ consolidated technology services agency shall provide counties that elect to receive a jury source list merged by ~~((department of information services))~~ the consolidated technology services agency with a list of names which are possible duplicates that cannot be resolved based on the identifying information required under subsection (2) of this section. If a possible duplication cannot subsequently be resolved satisfactorily through reasonable efforts by the county receiving the merged list, the possible duplicate name shall be stricken from the jury source list until the next annual jury source list is prepared.

Sec. 813. RCW 29A.08.760 and 2009 c 369 s 35 are each amended to read as follows:

The secretary of state shall provide a duplicate copy of the master statewide computer file or electronic data file of registered voters to the ~~((department of information services))~~ consolidated technology services agency for purposes of creating the jury source list without cost. Restrictions as to the commercial use of the information on the statewide computer tape or data file of registered voters, and penalties for its misuse, shall be the same as provided in RCW 29A.08.720 and 29A.08.740.

Sec. 814. RCW 43.63A.550 and 1998 c 245 s 71 are each amended to read as follows:

(1) The department shall assist in the process of inventorying and collecting data on public and private land for the acquisition of data describing land uses, demographics, infrastructure, critical areas, transportation corridors physical features, housing, and other information useful in managing growth throughout the state. For this purpose the department ~~((shall))~~ may contract with the ~~((department of information services))~~ consolidated technology services agency and shall form an advisory group consisting of representatives from state, local, and federal agencies, colleges and universities, and private firms with expertise in land planning, and geographic information systems.

(2) The department shall establish a sequence for acquiring data, giving priority to rapidly growing areas. The data shall be retained in a manner to facilitate its use in preparing maps, aggregating with data from multiple jurisdictions, and comparing changes over time. Data shall further be retained in a manner which permits its access via computer.

(3) The department shall work with other state agencies, local governments, and private organizations that are inventorying public and private lands to ensure close coordination and to ensure that duplication of efforts does not occur.

NEW SECTION. Sec. 815. (1) The state auditor shall complete a two-part performance audit of the consolidated state data center. The first part of the performance audit may include, but is not limited to:

(a) A review of the business case developed prior to the state entering into financial agreements for the consolidated state data center, including an assessment of:

(i) The methodology used to determine the requisite size and scale of the project;

(ii) The cost assumptions developed as part of the business case for building a data center in Thurston county as compared to building a data center in other locations in the state;

(iii) To what extent private sector alternatives were considered; and

(iv) An assessment of the decision-making process leading up to the decision to enter into financial agreements for the consolidated

state data center, including who made the decision to pursue the consolidated state data center over other alternatives; and

(b) A review of the timeline under which milestone decisions were made regarding the consolidated state data center.

(2) The first part of the performance audit conducted under this section will be used to inform the second part of the performance audit conducted under section 816 of this act. The full two-part performance audit must be completed and submitted to the governor and the legislature by December 1, 2012.

NEW SECTION. Sec. 816. (1) Upon completion of the first part of a two-part performance audit of the consolidated state data center as outlined under section 815 of this act, the state auditor shall complete the second part of the performance audit. The second part of the performance audit may include, but is not limited to, a technical and financial assessment of the current business plan developed for the consolidated state data center, which may include:

(a) A detailed comparison of the consolidated state data center business plan with business plans developed for state data centers in other states;

(b) The costs associated with transitioning to, and operating, the consolidated state data center, including analysis of the fixed lease costs, the up-front transition costs, and the ongoing maintenance and operation costs;

(c) The potential budgetary impacts on the general fund in the short and long term;

(d) The predictability of the cost of occupying the consolidated state data center for state agencies;

(e) The risks associated with transitioning to the consolidated state data center, including the possibility of service interruptions, cost overruns, and other unforeseen costs;

(f) The potential return on investment for state taxpayers, including the future value of the consolidated state data center once the state has paid the lease costs in full; and

(g) A review of the business and financial viability of the state receiving revenue from leasing equipment or excess capacity, or both, in data halls 3 and 4 of the consolidated state data center.

(2) The full performance audit must be completed and submitted to the governor and the legislature by December 1, 2012.

PART IX

EDUCATION RESEARCH AND DATA CENTER

Sec. 901. RCW 43.41.400 and 2009 c 548 s 201 are each amended to read as follows:

((1)) An education data center shall be established in the office of financial management. The education data center shall jointly, with the legislative evaluation and accountability program committee, conduct collaborative analyses of early learning, K-12, and higher education programs and education issues across the P-20 system, which includes the department of early learning, the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the workforce training and education coordinating board, the higher education coordinating board, public and private nonprofit four-year institutions of higher education, and the employment security department. The education data center shall conduct collaborative analyses under this section with the legislative evaluation and accountability program committee and provide data electronically to the legislative evaluation and accountability program committee, to the extent permitted by state and federal confidentiality requirements. The education data center shall be considered an authorized representative of the state educational agencies in this section under applicable federal and state statutes for purposes of accessing and compiling student record data for research purposes.

(2) The education data center shall:

(a) In consultation with the legislative evaluation and accountability program committee and the agencies and organizations participating in the education data center, identify the critical research

and policy questions that are intended to be addressed by the education data center and the data needed to address the questions;

(b) Coordinate with other state education agencies to compile and analyze education data, including data on student demographics that is disaggregated by distinct ethnic categories within racial subgroups, and complete P-20 research projects;

(c) Collaborate with the legislative evaluation and accountability program committee and the education and fiscal committees of the legislature in identifying the data to be compiled and analyzed to ensure that legislative interests are served;

(d) Annually provide to the K-12 data governance group a list of data elements and data quality improvements that are necessary to answer the research and policy questions identified by the education data center and have been identified by the legislative committees in (c) of this subsection. Within three months of receiving the list, the K-12 data governance group shall develop and transmit to the education data center a feasibility analysis of obtaining or improving the data, including the steps required, estimated time frame, and the financial and other resources that would be required. Based on the analysis, the education data center shall submit, if necessary, a recommendation to the legislature regarding any statutory changes or resources that would be needed to collect or improve the data;

(e) Monitor and evaluate the education data collection systems of the organizations and agencies represented in the education data center ensuring that data systems are flexible, able to adapt to evolving needs for information, and to the extent feasible and necessary, include data that are needed to conduct the analyses and provide answers to the research and policy questions identified in (a) of this subsection;

(f)) The office of financial management shall:
 (1) Track enrollment and outcomes through the public centralized higher education enrollment system;

((g)) (2) Assist other state educational agencies' collaborative efforts to develop a long-range enrollment plan for higher education including estimates to meet demographic and workforce needs;

((h)) Provide research that focuses on student transitions within and among the early learning, K-12, and higher education sectors in the P-20 system; and

(i) Make recommendations to the legislature as necessary to help ensure the goals and objectives of this section and RCW 28A.655.210 and 28A.300.507 are met.

(3) The department of early learning, superintendent of public instruction, professional educator standards board, state board of education, state board for community and technical colleges, workforce training and education coordinating board, higher education coordinating board, public four-year institutions of higher education, and employment security department shall work with the education data center to develop data-sharing and research agreements, consistent with applicable security and confidentiality requirements, to facilitate the work of the center. Private, nonprofit institutions of higher education that provide programs of education beyond the high school level leading at least to the baccalaureate degree and are accredited by the Northwest association of schools and colleges or their peer accreditation bodies may also develop data-sharing and research agreements with the education data center, consistent with applicable security and confidentiality requirements. The education data center shall make data from collaborative analyses available to the education agencies and institutions that contribute data to the education data center to the extent allowed by federal and state security and confidentiality requirements applicable to the data of each contributing agency or institution))

(3) Develop data-sharing and research agreements with the legislative evaluation and accountability program and public institutions of higher education, consistent with applicable security and confidentiality requirements, to facilitate the work of the education research and data center under section 902 of this act; and

(4) Cooperate with the education research and data center to compile and analyze education data.

NEW SECTION. Sec. 902. A new section is added to chapter 44.48 RCW to read as follows:

(1) An education research and data center is established under the legislative evaluation and accountability program committee. The purpose of the center is to:

(a) Serve as a data warehouse for education data across the P-20 education system, which includes the department of early learning, the office of the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the workforce training and education coordinating board, the office of financial management, the higher education coordinating board, public and private nonprofit four-year institutions of higher education, and the employment security department;

(b) Coordinate with other state education agencies to compile and analyze education data, including data on student demographics that is disaggregated by distinct ethnic categories within racial subgroups, and conduct collaborative analyses of early learning, K-12, and higher education programs and education issues across the P-20 system;

(c) Disseminate education data and information, consistent with applicable security and confidentiality requirements, to the education agencies and institutions that contribute data to the center and to school districts, policymakers, educators, researchers, and the public; and

(d) Develop and maintain a searchable web site with education data and information, including downloadable files and customizable reports.

(2) The education research and data center shall be considered an authorized representative of the state educational agencies in this section under applicable federal and state statutes for purposes of accessing and compiling student record data for research purposes.

(3) The education research and data center shall:

(a) In consultation with the agencies and organizations participating in the center, identify the critical research and policy questions that are intended to be addressed by the center, the data needed to address the questions, key clients for the data and their needs, and the role these clients can play in addressing the questions;

(b) Collaborate with the office of financial management and the education and fiscal committees of the legislature in identifying the data to be compiled and analyzed;

(c) Annually provide to the K-12 data governance group under RCW 28A.300.507 a list of data elements and data quality improvements that are necessary to answer critical research and policy questions. Within three months of receiving the list, the K-12 data governance group shall develop and transmit to the center a feasibility analysis of obtaining or improving the data, including the steps required, estimated time frame, and the financial and other resources that would be required. Based on the analysis, the education research and data center shall submit, if necessary, a recommendation to the legislature regarding any statutory changes or resources that would be needed to collect or improve the data;

(d) Monitor and evaluate the education data collection systems of the state educational agencies to ensure that data systems are flexible and able to adapt to evolving needs for information, and to the extent feasible and necessary, include data needed to conduct the analyses and provide answers to the research and policy questions identified in (a) of this subsection;

(e) Facilitate use of the data to support academic research and studies by the state educational agencies, independent academic researchers, legislative research agencies, and others; and

(f) Make recommendations to the legislature as necessary so that the goals and objectives of this section and RCW 28A.655.210 and 28A.300.507 are met.

(4) The department of early learning, office of the superintendent of public instruction, professional educator standards board, state board of education, state board for community and technical colleges, workforce training and education coordinating board, higher education coordinating board, office of financial management, public four-year institutions of higher education, and employment security department shall work with the education research and data center to develop data-sharing and research agreements, consistent with applicable security and confidentiality requirements, to facilitate the work of the center. Private, nonprofit institutions of higher education that provide programs of education beyond the high school level leading at least to the baccalaureate degree and are accredited by the Northwest association of schools and colleges or their peer accreditation bodies may also develop data-sharing and research agreements with the education research and data center, consistent with applicable security and confidentiality requirements.

(5) The education research and data center and the superintendent of public instruction shall take all actions necessary to secure federal funds to implement this section, RCW 28A.655.210, and 28A.300.507.

Sec. 903. RCW 44.48.090 and 2001 c 259 s 14 are each amended to read as follows:

The committee shall have the following powers:

(1) To have timely access, upon written request of the administrator, to all machine readable, printed, and other data of state agencies relative to expenditures, budgets, and related fiscal matters;

(2) To suggest changes relative to state accounting and reporting systems to the office of financial management or its successor and to require timely written responses to such suggestions; ~~(and)~~

(3) Subject to RCW 44.04.260, to enter into contracts; and when entering into any contract for computer access, make necessary provisions relative to the scheduling of computer time and usage in recognition of the unique requirements and priorities of the legislative process; and

(4) To manage and oversee the education research and data center as provided in section 902 of this act.

NEW SECTION. Sec. 904. (1) The education data center in the office of financial management is abolished.

(2)(a) All reports, documents, surveys, books, records, files, papers, databases, or other written or electronic material in the possession of the education data center shall be delivered to the custody of the legislative evaluation and accountability program committee for purposes of the education research and data center established under section 902 of this act. Written or electronic materials and data sets pertaining solely to the public centralized higher education enrollment system shall be retained by the office of financial management, but written or electronic materials and data sets that are the result of the work of the education data center to link data in the public centralized higher education enrollment system to other educational databases shall be delivered to the legislative evaluation and accountability program committee. All funds, credits, or other monetary assets held by the education data center shall be assigned to the legislative evaluation and accountability program committee.

(b) Any appropriations made to the office of financial management for purposes of the education data center shall, on the effective date of this section, be transferred and credited to the legislative evaluation and accountability program committee.

(c) If any questions arise as to the transfer of any funds, books, documents, records, papers, files, databases, or other written or electronic material previously used or held in the exercise of the powers and performance of the education data center, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(d) The elimination of the education data center shall not affect the validity of any act performed before the effective date of this section.

(e) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 property records in accordance with the certification.

(3) All data-sharing and research agreements developed between the state educational agencies under section 902 of this act and the education data center before the effective date of this section shall be transferred to the education research and data center under the legislative evaluation and accountability program committee and shall be continued and acted upon by the education research and data center as the successor agency and authorized representative of the state educational agencies. All existing contracts and obligations shall remain in full force and shall be performed by the education research and data center.

(4) The education research and data center under the legislative evaluation and accountability program committee shall assume the role of program director for purposes of the federal evergreen state P-20 longitudinal education data system grant.

Sec. 905. RCW 28A.300.500 and 2007 c 401 s 2 are each amended to read as follows:

(1) The office of the superintendent of public instruction is authorized to establish a longitudinal student data system for and on behalf of school districts in the state. The primary purpose of the data system is to better aid research into programs and interventions that are most effective in improving student performance, better understand the state's public educator workforce, and provide information on areas within the educational system that need improvement.

(2) The confidentiality of personally identifiable student data shall be safeguarded consistent with the requirements of the federal family educational rights privacy act and applicable state laws. Consistent with the provisions of these federal and state laws, data may be disclosed for educational purposes and studies, including but not limited to:

(a) Educational studies authorized or mandated by the state legislature;

(b) Studies initiated by other state educational authorities and authorized by the office of the superintendent of public instruction, including analysis conducted by the education research and data center established under ~~((RCW 43.41.400))~~ section 902 of this act; and

(c) Studies initiated by other public or private agencies and organizations and authorized by the office of the superintendent of public instruction.

(3) Any agency or organization that is authorized by the office of the superintendent of public instruction to access student-level data shall adhere to all federal and state laws protecting student data and safeguarding the confidentiality and privacy of student records.

(4) Nothing in this section precludes the office of the superintendent of public instruction from collecting and distributing aggregate data about students or student-level data without personally identifiable information.

Sec. 906. RCW 28A.300.507 and 2009 c 548 s 203 are each amended to read as follows:

(1) A K-12 data governance group shall be established within the office of the superintendent of public instruction to assist in the design and implementation of a K-12 education data improvement system for financial, student, and educator data. It is the intent that the data system reporting specifically serve requirements for teachers, parents, superintendents, school boards, the office of the superintendent of public instruction, the legislature, and the public.

(2) The K-12 data governance group shall include representatives of the education research and data center, the office of the superintendent of public instruction, ~~((the legislative evaluation and accountability program committee))~~ the professional educator standards board, the state board of education, and school district staff, including information technology staff. Additional entities with expertise in education data may be included in the K-12 data governance group.

(3) The K-12 data governance group shall:

(a) Identify the critical research and policy questions that need to be addressed by the K-12 education data improvement system;

(b) Identify reports and other information that should be made available on the internet in addition to the reports identified in subsection (5) of this section;

(c) Create a comprehensive needs requirement document detailing the specific information and technical capacity needed by school districts and the state to meet the legislature's expectations for a comprehensive K-12 education data improvement system as described under RCW 28A.655.210;

(d) Conduct a gap analysis of current and planned information compared to the needs requirement document, including an analysis of the strengths and limitations of an education data system and programs currently used by school districts and the state, and specifically the gap analysis must look at the extent to which the existing data can be transformed into canonical form and where existing software can be used to meet the needs requirement document;

(e) Focus on financial and cost data necessary to support the new K-12 financial models and funding formulas, including any necessary changes to school district budgeting and accounting, and on assuring the capacity to link data across financial, student, and educator systems; and

(f) Define the operating rules and governance structure for K-12 data collections, ensuring that data systems are flexible and able to adapt to evolving needs for information, within an objective and orderly data governance process for determining when changes are needed and how to implement them. Strong consideration must be made to the current practice and cost of migration to new requirements. The operating rules should delineate the coordination, delegation, and escalation authority for data collection issues, business rules, and performance goals for each K-12 data collection system, including:

(i) Defining and maintaining standards for privacy and confidentiality;

(ii) Setting data collection priorities;

(iii) Defining and updating a standard data dictionary;

(iv) Ensuring data compliance with the data dictionary;

(v) Ensuring data accuracy; and

(vi) Establishing minimum standards for school, student, financial, and teacher data systems. Data elements may be specified "to the extent feasible" or "to the extent available" to collect more and better data sets from districts with more flexible software. Nothing in ~~((RCW 43.41.400))~~ section 902 of this act, this section, or RCW 28A.655.210 should be construed to require that a data dictionary or reporting should be hobbled to the lowest common set. The work of the K-12 data governance group must specify which data are desirable. Districts that can meet these requirements shall report the desirable data. Funding from the legislature must establish which subset data are absolutely required.

(4)(a) The K-12 data governance group shall provide updates on its work as requested by the education research and data center ~~((and the legislative evaluation and accountability program committee))~~.

(b) The work of the K-12 data governance group shall be periodically reviewed and monitored by the ~~((educational))~~ education research and data center ~~((and the legislative evaluation and accountability program committee))~~.

(5) To the extent data is available, the office of the superintendent of public instruction shall make the following minimum reports available on the internet. The reports must either be run on demand against current data, or, if a static report, must have been run against the most recent data:

(a) The percentage of data compliance and data accuracy by school district;

(b) The magnitude of spending per student, by student estimated by the following algorithm and reported as the detailed summation of the following components:

(i) An approximate, prorated fraction of each teacher or human resource element that directly serves the student. Each human resource element must be listed or accessible through online tunneling in the report;

(ii) An approximate, prorated fraction of classroom or building costs used by the student;

(iii) An approximate, prorated fraction of transportation costs used by the student; and

(iv) An approximate, prorated fraction of all other resources within the district. District-wide components should be disaggregated to the extent that it is sensible and economical;

(c) The cost of K-12 basic education, per student, by student, by school district, estimated by the algorithm in (b) of this subsection, and reported in the same manner as required in (b) of this subsection;

(d) The cost of K-12 special education services per student, by student receiving those services, by school district, estimated by the algorithm in (b) of this subsection, and reported in the same manner as required in (b) of this subsection;

(e) Improvement on the statewide assessments computed as both a percentage change and absolute change on a scale score metric by district, by school, and by teacher that can also be filtered by a student's length of full-time enrollment within the school district;

(f) Number of K-12 students per classroom teacher on a per teacher basis;

(g) Number of K-12 classroom teachers per student on a per student basis;

(h) Percentage of a classroom teacher per student on a per student basis; and

(i) The cost of K-12 education per student by school district sorted by federal, state, and local dollars.

(6) The superintendent of public instruction shall submit a preliminary report to the legislature by November 15, 2009, including the analyses by the K-12 data governance group under subsection (3) of this section and preliminary options for addressing identified gaps. A final report, including a proposed phase-in plan and preliminary cost estimates for implementation of a comprehensive data improvement system for financial, student, and educator data shall be submitted to the legislature by September 1, 2010.

(7) All reports and data referenced in this section (~~and RCW 43.41.400~~), section 902 of this act, and RCW 28A.655.210 shall be made available in a manner consistent with the technical requirements of the (~~legislative evaluation and accountability program committee and the~~) education research and data center so that selected data can be provided to the legislature, governor, school districts, and the public.

(8) Reports shall contain data to the extent it is available. All reports must include documentation of which data are not available or are estimated. Reports must not be suppressed because of poor data accuracy or completeness. Reports may be accompanied with documentation to inform the reader of why some data are missing or inaccurate or estimated.

Sec. 907. RCW 28A.655.210 and 2009 c 548 s 202 are each amended to read as follows:

(1) It is the legislature's intent to establish a comprehensive K-12 education data improvement system for financial, student, and educator data. The objective of the system is to monitor student

progress, have information on the quality of the educator workforce, monitor and analyze the costs of programs, provide for financial integrity and accountability, and have the capability to link across these various data components by student, by class, by teacher, by school, by district, and statewide. Education data systems must be flexible and able to adapt to evolving needs for information, but there must be an objective and orderly data governance process for determining when changes are needed and how to implement them. It is the further intent of the legislature to provide independent review and evaluation of a comprehensive K-12 education data improvement system by assigning the review and monitoring responsibilities to the education research and data center (~~and the legislative evaluation and accountability program committee~~).

(2) It is the intent that the data system specifically service reporting requirements for teachers, parents, superintendents, school boards, the legislature, the office of the superintendent of public instruction, and the public.

(3) It is the legislature's intent that the K-12 education data improvement system used by school districts and the state include but not be limited to the following information and functionality:

(a) Comprehensive educator information, including grade level and courses taught, building or location, program, job assignment, years of experience, the institution of higher education from which the educator obtained his or her degree, compensation, class size, mobility of class population, socioeconomic data of class, number of languages and which languages are spoken by students, general resources available for curriculum and other classroom needs, and number and type of instructional support staff in the building;

(b) The capacity to link educator assignment information with educator certification information such as certification number, type of certification, route to certification, certification program, and certification assessment or evaluation scores;

(c) Common coding of secondary courses and major areas of study at the elementary level or standard coding of course content;

(d) Robust student information, including but not limited to student characteristics, course and program enrollment, performance on statewide and district summative and formative assessments to the extent district assessments are used, and performance on college readiness tests;

(e) A subset of student information elements to serve as a dropout early warning system;

(f) The capacity to link educator information with student information;

(g) A common, standardized structure for reporting the costs of programs at the school and district level with a focus on the cost of services delivered to students;

(h) Separate accounting of state, federal, and local revenues and costs;

(i) Information linking state funding formulas to school district budgeting and accounting, including procedures:

(i) To support the accuracy and auditing of financial data; and

(ii) Using the prototypical school model for school district financial accounting reporting;

(j) The capacity to link program cost information with student performance information to gauge the cost-effectiveness of programs;

(k) Information that is centrally accessible and updated regularly; and

(l) An anonymous, nonidentifiable replicated copy of data that is updated at least quarterly, and made available to the public by the state.

(4) It is the legislature's goal that all school districts have the capability to collect state-identified common data and export it in a standard format to support a statewide K-12 education data improvement system under this section.

(5) It is the legislature's intent that the K-12 education data improvement system be developed to provide the capability to make reports as required under RCW 28A.300.507 available.

(6) It is the legislature's intent that school districts collect and report new data elements to satisfy the requirements of ~~((RCW 43.41.400))~~ section 902 of this act, this section, and RCW 28A.300.507, only to the extent funds are available for this purpose.

Sec. 908. RCW 28A.657.110 and 2010 c 235 s 111 are each amended to read as follows:

(1) The state board of education shall continue to refine the development of an accountability framework that creates a unified system of support for challenged schools, that aligns with basic education, increases the level of support based upon the magnitude of need, and uses data for decisions.

(2) The state board of education shall develop an accountability index to identify schools and districts for recognition, for continuous improvement, and for additional state support. The index shall be based on criteria that are fair, consistent, and transparent. Performance shall be measured using multiple outcomes and indicators including, but not limited to, graduation rates and results from statewide assessments. The index shall be developed in such a way as to be easily understood by both employees within the schools and districts, as well as parents and community members. It is the legislature's intent that the index provide feedback to schools and districts to self-assess their progress, and enable the identification of schools with exemplary student performance and those that need assistance to overcome challenges in order to achieve exemplary student performance.

(3) The state board of education, in cooperation with the office of the superintendent of public instruction, shall annually recognize schools for exemplary performance as measured on the state board of education accountability index. The state board of education shall have ongoing collaboration with the achievement gap oversight and accountability committee regarding the measures used to measure the closing of the achievement gaps and the recognition provided to the school districts for closing the achievement gaps.

(4) In coordination with the superintendent of public instruction, the state board of education shall seek approval from the United States department of education for use of the accountability index and the state system of support, assistance, and intervention, to replace the federal accountability system under P.L. 107-110, the no child left behind act of 2001.

(5) The state board of education shall work with the education research and data center ~~((established within the office of financial management))~~ and the technical working group established in ~~((section 112, chapter 548, Laws of 2009))~~ RCW 28A.290.020 to determine the feasibility of using the prototypical funding allocation model as not only a tool for allocating resources to schools and districts but also as a tool for schools and districts to report to the state legislature and the state board of education on how the state resources received are being used.

NEW SECTION. Sec. 909. RCW 43.41.405 (K-12 data--Securing federal funds) and 2009 c 548 s 204 are each repealed.

PART X

ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 1001. A new section is added to chapter 41.80 RCW to read as follows:

(1) By January 1, 2012, the public employment relations commission may review the appropriateness of the collective bargaining units transferred under sections 1002, 1003, 1004, 1008, and 1009 of this act. The employer or the exclusive bargaining representative may petition the public employment relations commission to review the bargaining units in accordance with this section.

(2) If the commission determines that an existing collective bargaining unit is appropriate pursuant to RCW 41.80.070, the

exclusive bargaining representative certified to represent the bargaining unit prior to January 1, 2012, shall continue as the exclusive bargaining representative without the necessity of an election.

(3) If the commission determines that existing collective bargaining units are not appropriate, the commission may modify the units and order an election pursuant to RCW 41.80.080. Certified bargaining representatives will not be required to demonstrate a showing of interest to be included on the ballot.

(4) The commission may require an election pursuant to RCW 41.80.080 if similarly situated employees are represented by more than one employee organization. Certified bargaining representatives will not be required to demonstrate a showing of interest to be included on the ballot.

NEW SECTION. Sec. 1002. A new section is added to chapter 43.19 RCW to read as follows:

(1) The department of general administration is hereby abolished and its powers, duties, and functions are transferred to the department of enterprise services. All references to the director or department of general administration in the Revised Code of Washington shall be construed to mean the director or the department of enterprise services.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of general administration shall be delivered to the custody of the department of enterprise services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of general administration shall be made available to the department of enterprise services. All funds, credits, or other assets held by the department of general administration shall be assigned to the department of enterprise services.

(b) Any appropriations made to the department of general administration shall, on the effective date of this section, be transferred and credited to the department of enterprise services.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the department of general administration shall be continued and acted upon by the department of enterprise services. All existing contracts and obligations shall remain in full force and shall be performed by the department of enterprise services.

(4) The transfer of the powers, duties, functions, and personnel of the department of general administration shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the department of general administration engaged in performing the powers, functions, and duties transferred to the department of enterprise services, are transferred to the department of enterprise services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of enterprise services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

(7) Unless or until modified by the public employment relations commission pursuant to section 1001 of this act:

(a) The bargaining units of employees at the department of general administration existing on the effective date of this section shall be considered appropriate units at the department of enterprise services and will be so certified by the public employment relations commission.

(b) The exclusive bargaining representatives recognized as representing the bargaining units of employees at the department of general administration existing on the effective date of this section shall continue as the exclusive bargaining representatives of the transferred bargaining units without the necessity of an election.

NEW SECTION. Sec. 1003. A new section is added to chapter 43.19 RCW to read as follows:

(1) The public printer is hereby abolished and its powers, duties, and functions, to the extent provided in this act, are transferred to the department of enterprise services. All references to the public printer in the Revised Code of Washington shall be construed to mean the director or the department of enterprise services.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the public printer shall be delivered to the custody of the department of enterprise services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the public printer shall be made available to the department of enterprise services. All funds, credits, or other assets held by the public printer shall be assigned to the department of enterprise services.

(b) Any appropriations made to the public printer shall, on the effective date of this section, be transferred and credited to the department of enterprise services.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the public printer shall be continued and acted upon by the department of enterprise services. All existing contracts and obligations shall remain in full force and shall be performed by the department of enterprise services.

(4) The transfer of the powers, duties, functions, and personnel of the public printer shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the public printer engaged in performing the powers, functions, and duties transferred to the department of enterprise services are transferred to the department of enterprise services.

(a) The commercial agreement between the graphic communications conference of the international brotherhood of teamsters, local 767M and the department of printing-bindery that became effective July 1, 2007, shall remain in effect during its duration. Upon expiration, the parties may extend the terms of the agreement; however, the agreement may not be extended beyond September 30, 2011. Beginning October 1, 2011, chapter 41.80 RCW shall apply to the department of enterprise services with respect to employees in positions formerly covered under the expired commercial agreement.

(b) The commercial agreement between the graphic communications conference of the international brotherhood of teamsters, local 767M and the department of printing-litho that became effective July 1, 2007, shall remain in effect during its duration. Upon expiration, the parties may extend the terms of the

agreement; however, the agreement may not be extended beyond September 30, 2011. Beginning October 1, 2011, chapter 41.80 RCW shall apply to the department of enterprise services with respect to the employees in positions formerly covered under the expired commercial agreement.

(c) The typographical contract between the communications workers of America, the newspaper guild, local 37082, and the department of printing-typographical that became effective July 1, 2007, shall remain in effect during its duration. Upon expiration, the parties may extend the terms of the agreement; however, the agreement may not be extended beyond September 30, 2011. Beginning October 1, 2011, chapter 41.80 RCW shall apply to the department of enterprise services with respect to the employees in positions formerly covered under the expired typographical contract.

(d) All other employees of the public printer not covered by the contracts and agreements specified in (a) through (c) of this subsection shall be exempt from chapter 41.06 RCW until October 1, 2011, at which time these employees shall be subject to chapter 41.06 RCW, unless otherwise deemed exempt in accordance with that chapter.

(7) Unless or until modified by the public employment relations commission pursuant to section 1001 of this act:

(a) The bargaining units of printing craft employees existing on the effective date of this section shall be considered an appropriate unit at the department of enterprise services and will be so certified by the public employment relations commission; and

(b) The exclusive bargaining representatives recognized as representing the bargaining units of printing craft employees existing on the effective date of this section shall continue as the exclusive bargaining representatives of the transferred bargaining units without the necessity of an election.

NEW SECTION. Sec. 1004. A new section is added to chapter 43.19 RCW to read as follows:

(1) The powers, duties, and functions of the department of information services as set forth in sections 601, 602, and 614 of this act are hereby transferred to the department of enterprise services.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of information services pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the department of enterprise services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of information services in carrying out the powers, duties, and functions transferred shall be made available to the department of enterprise services. All funds, credits, or other assets held by the department of information services in connection with the powers, duties, and functions transferred shall be assigned to the department of enterprise services.

(b) Any appropriations made to the department of information services for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of enterprise services.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the department of information services pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the department of enterprise services. All existing contracts and obligations shall remain in full force and shall be performed by the department of enterprise services.

(4) The transfer of the powers, duties, functions, and personnel of the department of information services shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the department of information services engaged in performing the powers, functions, and duties transferred to the department of enterprise services, are transferred to the department of enterprise services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of enterprise services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

(7) Unless or until modified by the public employment relations commission pursuant to section 1001 of this act:

(a) The portions of the bargaining units of employees at the department of information services existing on the effective date of this section shall be considered appropriate units at the department of enterprise services and will be so certified by the public employment relations commission.

(b) The exclusive bargaining representatives recognized as representing the portions of the bargaining units of employees at the department of information services existing on the effective date of this section shall continue as the exclusive bargaining representative of the transferred bargaining units without the necessity of an election.

NEW SECTION. Sec. 1005. A new section is added to chapter 43.19 RCW to read as follows:

(1) Those powers, duties, and functions of the department of personnel being transferred to the department of enterprise services as set forth in Part IV of this act are hereby transferred to the department of enterprise services.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of personnel pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the department of enterprise services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of personnel in carrying out the powers, duties, and functions transferred shall be made available to the department of enterprise services. All funds, credits, or other assets held by the department of personnel in connection with the powers, duties, and functions transferred shall be assigned to the department of enterprise services.

(b) Any appropriations made to the department of personnel for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of enterprise services.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the department of personnel pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the department of enterprise services. All existing contracts and obligations shall remain in full force and shall be performed by the department of enterprise services.

(4) The transfer of the powers, duties, functions, and personnel of the department of personnel shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the department of personnel engaged in performing the powers, functions, and duties transferred to the department of enterprise services, are transferred to the department of enterprise services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of enterprise services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

NEW SECTION. Sec. 1006. A new section is added to chapter 43.41 RCW to read as follows:

(1) Those powers, duties, and functions of the department of personnel being transferred to the office of financial management as set forth in Part IV of this act are hereby transferred to the office of financial management.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of personnel pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the office of financial management. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of personnel in carrying out the powers, duties, and functions transferred shall be made available to the office of financial management. All funds, credits, or other assets held by the department of personnel in connection with the powers, duties, and functions transferred shall be assigned to the office of financial management.

(b) Any appropriations made to the department of personnel for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the office of financial management.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the department of personnel pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the office of financial management. All existing contracts and obligations shall remain in full force and shall be performed by the office of financial management.

(4) The transfer of the powers, duties, functions, and personnel of the department of personnel shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the department of personnel engaged in performing the powers, functions, and duties transferred to the office of financial management, are transferred to the office of financial management. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the office of financial management to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

NEW SECTION. Sec. 1007. A new section is added to chapter 43.19 RCW to read as follows:

(1) The powers, duties, and functions of the office of financial management as set forth in Part V of this act are hereby transferred to the department of enterprise services.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the office of financial management pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the department of enterprise services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the office of financial management in carrying out the powers, duties, and functions transferred shall be made available to the department of enterprise services. All funds, credits, or other assets held by the office of financial management in connection with the powers, duties, and functions transferred shall be assigned to the department of enterprise services.

(b) Any appropriations made to the office of financial management for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of enterprise services.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the office of financial management pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the department of enterprise services. All existing contracts and obligations shall remain in full force and shall be performed by the department of enterprise services.

(4) The transfer of the powers, duties, functions, and personnel of the office of financial management shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the office of financial management engaged in performing the powers, functions, and duties transferred to the department of enterprise services, are transferred to the department of enterprise services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to department of enterprise services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

NEW SECTION. Sec. 1008. A new section is added to chapter 43.330 RCW to read as follows:

(1) All powers, duties, and functions of the department of information services pertaining to high-speed internet activities are transferred to the department of commerce. All references to the director or the department of information services in the Revised Code of Washington shall be construed to mean the director or the department of commerce when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of information services pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of commerce. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of

information services in carrying out the powers, functions, and duties transferred shall be made available to the department of commerce. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of commerce.

(b) Any appropriations made to the department of information services for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of commerce.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of information services engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of commerce. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of commerce to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of information services pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of commerce. All existing contracts and obligations shall remain in full force and shall be performed by the department of commerce.

(5) The transfer of the powers, duties, functions, and personnel of the department of information services shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(7) All classified employees of the department of information services assigned to the department of commerce under this section whose positions are within an existing bargaining unit description at the department of commerce shall become a part of the existing bargaining unit at the department of commerce and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

NEW SECTION. Sec. 1009. A new section is added to chapter 43.330 RCW to read as follows:

(1) Those powers, duties, and functions of the department of information services being transferred to the consolidated technology services agency as set forth in sections 801 through 816 of this act are hereby transferred to the consolidated technology services agency.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of information services shall be delivered to the custody of the consolidated technology services agency. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of information services shall be made available to the consolidated technology services agency. All funds, credits, or other assets held by the department of information services shall be assigned to the consolidated technology services agency.

(b) Any appropriations made to the department of information services shall, on the effective date of this section, be transferred and credited to the consolidated technology services agency.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of

financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the department of information services pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the consolidated technology services agency. All existing contracts and obligations shall remain in full force and shall be performed by the consolidated technology services agency.

(4) The transfer of the powers, duties, functions, and personnel of the department of information services shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, 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 certification.

(6) All employees of the department of information services engaged in performing the powers, functions, and duties transferred to the consolidated technology services agency are transferred to the consolidated technology services agency. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the consolidated technology services agency to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service law.

(7) Unless or until modified by the public employment relations commission pursuant to section 1001 of this act:

(a) The portions of the bargaining units of employees at the department of information services existing on the effective date of this section shall be considered appropriate units at the consolidated technology services agency and will be so certified by the public employment relations commission.

(b) The exclusive bargaining representatives recognized as representing the portions of the bargaining units of employees at the department of information services existing on the effective date of this section shall continue as the exclusive bargaining representatives of the transferred bargaining units without the necessity of an election.

Sec. 1010. RCW 41.06.070 and 2010 c 271 s 801, 2010 c 2 s 2, and 2010 c 1 s 1 are each reenacted and amended to read as follows:

(1) The provisions of this chapter do not apply to:

(a) The members of the legislature or to any employee of, or position in, the legislative branch of the state government including members, officers, and employees of the legislative council, joint legislative audit and review committee, statute law committee, and any interim committee of the legislature;

(b) The justices of the supreme court, judges of the court of appeals, judges of the superior courts or of the inferior courts, or to any employee of, or position in the judicial branch of state government;

(c) Officers, academic personnel, and employees of technical colleges;

(d) The officers of the Washington state patrol;

(e) Elective officers of the state;

(f) The chief executive officer of each agency;

(g) In the departments of employment security and social and health services, the director and the director's confidential secretary; in all other departments, the executive head of which is an individual appointed by the governor, the director, his or her confidential secretary, and his or her statutory assistant directors;

(h) In the case of a multimember board, commission, or committee, whether the members thereof are elected, appointed by the governor or other authority, serve ex officio, or are otherwise chosen:

(i) All members of such boards, commissions, or committees;

(ii) If the members of the board, commission, or committee serve on a part-time basis and there is a statutory executive officer: The secretary of the board, commission, or committee; the chief executive officer of the board, commission, or committee; and the confidential secretary of the chief executive officer of the board, commission, or committee;

(iii) If the members of the board, commission, or committee serve on a full-time basis: The chief executive officer or administrative officer as designated by the board, commission, or committee; and a confidential secretary to the chair of the board, commission, or committee;

(iv) If all members of the board, commission, or committee serve ex officio: The chief executive officer; and the confidential secretary of such chief executive officer;

(i) The confidential secretaries and administrative assistants in the immediate offices of the elective officers of the state;

(j) Assistant attorneys general;

(k) Commissioned and enlisted personnel in the military service of the state;

(l) Inmate, student, part-time, or temporary employees, and part-time professional consultants, as defined by the Washington personnel resources board;

(m) ((The public printer or to any employees of or positions in the state printing plant;

(n))) Officers and employees of the Washington state fruit commission;

((~~(n)~~)) (n) Officers and employees of the Washington apple commission;

((~~(o)~~)) (o) Officers and employees of the Washington state dairy products commission;

((~~(p)~~)) (p) Officers and employees of the Washington tree fruit research commission;

((~~(q)~~)) (q) Officers and employees of the Washington state beef commission;

((~~(r)~~)) (r) Officers and employees of the Washington grain commission;

((~~(s)~~)) (s) Officers and employees of any commission formed under chapter 15.66 RCW;

((~~(t)~~)) (t) Officers and employees of agricultural commissions formed under chapter 15.65 RCW;

((~~(u)~~)) (u) Officers and employees of the nonprofit corporation formed under chapter 67.40 RCW;

((~~(v)~~)) (v) Executive assistants for personnel administration and labor relations in all state agencies employing such executive assistants including but not limited to all departments, offices, commissions, committees, boards, or other bodies subject to the provisions of this chapter and this subsection shall prevail over any provision of law inconsistent herewith unless specific exception is made in such law;

((~~(w)~~)) (w) In each agency with fifty or more employees: Deputy agency heads, assistant directors or division directors, and not more than three principal policy assistants who report directly to the agency head or deputy agency heads;

((~~(x)~~)) (x) All employees of the marine employees' commission;

((~~(y)~~)) (y) Staff employed by the department of commerce to administer energy policy functions;

((~~(z)~~)) (z) The manager of the energy facility site evaluation council;

((~~(aa)~~)) (aa) A maximum of ten staff employed by the department of commerce to administer innovation and policy functions, including the three principal policy assistants exempted under (x) of this subsection;

((~~(ab)~~)) (ab) Staff employed by Washington State University to administer energy education, applied research, and technology transfer programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5);

(cc) Officers and employees of the consolidated technology services agency created in section 801 of this act that perform the following functions or duties: Systems integration; data center engineering and management; network systems engineering and management; information technology contracting; information technology customer relations management; and network and systems security.

(2) The following classifications, positions, and employees of institutions of higher education and related boards are hereby exempted from coverage of this chapter:

(a) Members of the governing board of each institution of higher education and related boards, all presidents, vice presidents, and their confidential secretaries, administrative, and personal assistants; deans, directors, and chairs; academic personnel; and executive heads of major administrative or academic divisions employed by institutions of higher education; principal assistants to executive heads of major administrative or academic divisions; other managerial or professional employees in an institution or related board having substantial responsibility for directing or controlling program operations and accountable for allocation of resources and program results, or for the formulation of institutional policy, or for carrying out personnel administration or labor relations functions, legislative relations, public information, development, senior computer systems and network programming, or internal audits and investigations; and any employee of a community college district whose place of work is one which is physically located outside the state of Washington and who is employed pursuant to RCW 28B.50.092 and assigned to an educational program operating outside of the state of Washington;

(b) The governing board of each institution, and related boards, may also exempt from this chapter classifications involving research activities, counseling of students, extension or continuing education activities, graphic arts or publications activities requiring prescribed academic preparation or special training as determined by the board: PROVIDED, That no nonacademic employee engaged in office, clerical, maintenance, or food and trade services may be exempted by the board under this provision;

(c) Printing craft employees in the department of printing at the University of Washington.

(3) In addition to the exemptions specifically provided by this chapter, the director (~~(of personnel)~~) may provide for further exemptions pursuant to the following procedures. The governor or other appropriate elected official may submit requests for exemption to the (~~director of personnel~~) office of financial management stating the reasons for requesting such exemptions. The director (~~(of personnel)~~) shall hold a public hearing, after proper notice, on requests submitted pursuant to this subsection. If the director determines that the position for which exemption is requested is one involving substantial responsibility for the formulation of basic agency or executive policy or one involving directing and controlling program operations of an agency or a major administrative division thereof, or is a senior expert in enterprise information technology infrastructure, engineering, or systems, the director (~~(of personnel)~~) shall grant the request (~~(and such determination shall be final as to any decision made before July 1, 1993)~~). The total number of additional exemptions permitted under this subsection shall not exceed one percent of the number of employees in the classified service not including employees of institutions of higher education and related boards for those agencies not directly under the authority of any elected public official other than the governor, and shall not exceed a total of twenty-five for all agencies under the authority of elected public officials other than the governor.

The salary and fringe benefits of all positions presently or hereafter exempted except for the chief executive officer of each agency, full-time members of boards and commissions, administrative assistants and confidential secretaries in the immediate office of an elected state official, and the personnel listed in

subsections (1)(j) through (~~((+))~~) (u) and (~~((+))~~) (x) and (2) of this section, shall be determined by the director (~~(of personnel)~~). Changes to the classification plan affecting exempt salaries must meet the same provisions for classified salary increases resulting from adjustments to the classification plan as outlined in RCW 41.06.152.

From February 18, 2009, through June 30, 2011, a salary or wage increase shall not be granted to any position exempt from classification under this chapter, except that a salary or wage increase may be granted to employees pursuant to collective bargaining agreements negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW, or negotiated by the nonprofit corporation formed under chapter 67.40 RCW, and except that increases may be granted for positions for which the employer has demonstrated difficulty retaining qualified employees if the following conditions are met:

(a) The salary increase can be paid within existing resources; and

(b) The salary increase will not adversely impact the provision of client services.

Any agency granting a salary increase from February 15, 2010, through June 30, 2011, to a position exempt from classification under this chapter shall submit a report to the fiscal committees of the legislature no later than July 31, 2011, detailing the positions for which salary increases were granted, the size of the increases, and the reasons for giving the increases.

Any person holding a classified position subject to the provisions of this chapter shall, when and if such position is subsequently exempted from the application of this chapter, be afforded the following rights: If such person previously held permanent status in another classified position, such person shall have a right of reversion to the highest class of position previously held, or to a position of similar nature and salary.

Any classified employee having civil service status in a classified position who accepts an appointment in an exempt position shall have the right of reversion to the highest class of position previously held, or to a position of similar nature and salary.

A person occupying an exempt position who is terminated from the position for gross misconduct or malfeasance does not have the right of reversion to a classified position as provided for in this section.

From February 15, 2010, until June 30, 2011, no monetary performance-based awards or incentives may be granted by the director or employers to employees covered by rules adopted under this section. This subsection does not prohibit the payment of awards provided for in chapter 41.60 RCW.

NEW SECTION. Sec. 1011. Sections 701 through 721 of this act constitute a new chapter in Title 43 RCW to be codified as chapter 43.41A RCW.

NEW SECTION. Sec. 1012. RCW 43.105.052, 43.105.172, 43.105.250, 43.105.260, 43.105.270, 43.105.280, 43.105.290, 43.105.310, and 43.105.835 are each recodified as sections in chapter 43.--- RCW (the new chapter created in section 1011 of this act).

NEW SECTION. Sec. 1013. The following acts or parts of acts are each repealed:

(1) RCW 43.105.005 (Purpose) and 1990 c 208 s 1 & 1987 c 504 s 1;

(2) RCW 43.105.013 (Finding--Intent) and 2010 c 282 s 1;

(3) RCW 43.105.019 (Enterprise-based strategy--Coordination with legislative and judicial branches) and 2010 c 282 s 10;

(4) RCW 43.105.032 (Information services board--Members--Chairperson--Vacancies--Quorum--Compensation and travel expenses) and 2007 c 158 s 1, 1999 c 241 s 2, 1996 c 137 s 10, 1992 c 20 s 8, 1987 c 504 s 4, 1984 c 287 s 86, 1975-'76 2nd ex.s. c 34 s 128, & 1973 1st ex.s. c 219 s 5;

(5) RCW 43.105.041 (Powers and duties of board) and 2010 1st sp.s. c 7 s 65, 2009 c 486 s 13, 2003 c 18 s 3, & 1999 c 285 s 5;

(6) RCW 43.105.095 (Management and oversight structure) and 1999 c 80 s 3;

(7) RCW 43.105.105 (Information technology decisions and plans) and 1999 c 80 s 4;

(8) RCW 43.105.160 (Strategic information technology plan--Biennial state performance report on information technology) and 2010 c 282 s 9, 2005 c 319 s 110, 1999 c 80 s 9, 1998 c 177 s 3, 1996 c 171 s 9, & 1992 c 20 s 1;

(9) RCW 43.105.170 (Information technology portfolios--Contents-- Performance reports) and 1999 c 80 s 10;

(10) RCW 43.105.180 (Evaluation of budget requests for information technology projects) and 2010 c 282 s 6 & 1999 c 80 s 11;

(11) RCW 43.105.190 (Major information technology projects standards and policies--Project evaluation and reporting) and 2005 c 319 s 111, 1999 c 80 s 12, 1998 c 177 s 4, 1996 c 137 s 15, & 1992 c 20 s 4;

(12) RCW 43.105.200 (Application to institutions of higher education) and 1992 c 20 s 5;

(13) RCW 43.105.210 (Data processing expenditures--Authorization-- Penalties) and 1993 sp.s. c 1 s 903;

(14) RCW 43.105.330 (State interoperability executive committee) and 2006 c 76 s 2 & 2003 c 18 s 4;

(15) RCW 43.105.805 (Information services board--Powers and duties) and 2010 1st sp.s. c 9 s 1, 2010 1st sp.s. c 7 s 66, & 1999 c 285 s 3;

(16) RCW 43.105.815 (K-20 operations cooperative--Ongoing management) and 1999 c 285 s 8; and

(17) RCW 43.105.820 (K-20 telecommunication system--Technical plan) and 2010 1st sp.s. c 7 s 67, 1999 c 285 s 11, & 1996 c 137 s 8.

NEW SECTION. Sec. 1014. Sections 728 through 731 of this act expire January 1, 2012.

NEW SECTION. Sec. 1015. Section 732 of this act takes effect January 1, 2012.

NEW SECTION. Sec. 1016. The code reviser shall note wherever the director or department of any agency or agency's duties transferred or consolidated under this act is used or referred to in statute that the name of the director or department has changed. The code reviser shall prepare legislation for the 2012 regular session that (1) changes all statutory references to the director or department of any agency transferred or consolidated under this act, and (2) changes statutory references to sections recodified by this act but not amended in this act.

NEW SECTION. Sec. 1017. Except for sections 109, 448, 462, and 732 of this act, this act takes effect October 1, 2011." Correct the title.

Representatives Hudgins and Alexander spoke in favor of the adoption of the amendment.

Amendment (862) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Hudgins, Alexander and Wilcox spoke in favor of the passage of the bill.

Representatives Hunt, McCoy, Reykdal, Appleton and Sells spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5931, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5931, as amended by the House, and the bill passed the House by the following vote: Yeas, 54; Nays, 42; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Bailey, Buys, Carlyle, Chandler, Clibborn, Condotta, Dammeier, Darneille, DeBolt, Eddy, Fagan, Finn, Haigh, Haler, Hargrove, Harris, Hudgins, Hunter, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Maxwell, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Rivers, Rodne, Ross, Schmick, Seaquist, Shea, Short, Smith, Springer, Sullivan, Takko, Taylor, Van De Wege, Walsh, Warnick, Wilcox and Mr. Speaker.

Voting nay: Representatives Appleton, Armstrong, Asay, Billig, Blake, Cody, Dahlquist, Dickerson, Dunshee, Fitzgibbon, Frockt, Goodman, Green, Hasegawa, Hinkle, Hope, Hunt, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Probst, Reykdal, Roberts, Rolfe, Ryu, Santos, Sells, Stanford, Tharinger, Upthegrove, Wylie and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5931, as amended by the House, having received the necessary constitutional majority, was declared passed.

THIRD READING

MESSAGE FROM THE SENATE

May 25, 2011

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 2088 with the following amendment:

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1. The legislature finds that, despite increases in degree production, there remain acute shortages in high employer demand programs of study, particularly in the science, technology, engineering, and mathematics (STEM) and health care fields of study. According to the workforce training and education coordinating board, seventeen percent of Washington businesses had difficulty finding job applicants in 2010. Eleven thousand employers did not fill a vacancy because they lacked qualified job applicants. Fifty-nine percent of projected job openings in Washington state from now until 2017 will require some form of postsecondary education and training.

It is the intent of the legislature to provide jobs and opportunity by making Washington the place where the world's most productive companies find the world's most talented people. The legislature intends to accomplish this through the creation of the opportunity scholarship and the opportunity expansion programs to help mitigate the impact of tuition increases, increase the number of baccalaureate degrees in high employer demand and other programs, and invest in programs and students to meet market demands for a knowledge-based economy while filling middle-income jobs with a sufficient supply of skilled workers.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Board" means the higher education coordinating board or its successor.

(2) "Eligible education programs" means high employer demand and other programs of study as determined by the opportunity scholarship board.

(3) "Eligible expenses" means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, room and board, and other expenses as determined by the program administrator in consultation with the board and the state board for community and technical colleges.

(4) "Eligible student" means a resident student who received their high school diploma or GED in Washington and who:

(a)(i) Has been accepted at a four-year institution of higher education into an eligible education program leading to a baccalaureate degree; or

(ii) Will attend a two-year institution of higher education and intends to transfer to an eligible education program at a four-year institution of higher education;

(b) Declares an intention to obtain a baccalaureate degree; and

(c) Has a family income at or below one hundred twenty-five percent of the state median family income at the time the student applies for an opportunity scholarship.

(5) "High employer demand program of study" has the same meaning as provided in RCW 28B.50.030.

(6) "Participant" means an eligible student who has received a scholarship under the opportunity scholarship program.

(7) "Program administrator" means a college scholarship organization that is a private nonprofit corporation registered under Title 24 RCW and qualified as a tax-exempt entity under section 501(c)(3) of the federal internal revenue code, with expertise in managing scholarships and college advising.

(8) "Resident student" has the same meaning as provided in RCW 28B.15.012.

NEW SECTION. Sec. 3. (1) The opportunity scholarship board is created. The opportunity scholarship board consists of seven members:

(a) Three members appointed by the governor. For two of the three appointments, the governor shall consider names from a list provided by the president of the senate and the speaker of the house of representatives; and

(b) Four foundation or business and industry representatives appointed by the governor from among the state's most productive industries such as aerospace, manufacturing, health sciences, information technology, and others. The foundation or business and industry representatives shall be selected from among nominations provided by the private sector donors to the opportunity scholarship and opportunity expansion programs. However, the governor may request, and the private sector donors shall provide, an additional list or lists from which the governor shall select these representatives.

(2) Board members shall hold their offices for a term of four years from the first day of September and until their successors are appointed. No more than the terms of two members may expire simultaneously on the last day of August in any one year.

(3) The members of the opportunity scholarship board shall elect one of the business and industry representatives to serve as chair.

(4) Five members of the board constitute a quorum for the transaction of business. In case of a vacancy, or when an appointment is made after the date of expiration of the term, the governor or the president of the senate or the speaker of the house of representatives, depending upon which made the initial appointment to that position, shall fill the vacancy for the remainder of the term of the board member whose office has become vacant or expired.

(5) The opportunity scholarship board shall be staffed by the program administrator.

(6) The purpose of the opportunity scholarship board is to provide oversight and guidance for the opportunity expansion and the opportunity scholarship programs in light of established legislative priorities and to fulfill the duties and responsibilities under this chapter, including but not limited to determining eligible education programs for purposes of the opportunity scholarship program.

Duties, exercised jointly with the program administrator, include soliciting funds and setting annual fund-raising goals.

(7) The opportunity scholarship board may report to the governor and the appropriate committees of the legislature with recommendations as to:

(a) Whether some or all of the scholarships should be changed to conditional scholarships that must be repaid in the event the participant does not complete the eligible education program; and

(b) A source or sources of funds for the opportunity expansion program in addition to the voluntary contributions of the high technology research and development tax credit under section 10 of this act.

NEW SECTION. Sec. 4. (1) The program administrator, under contract with the board, shall staff the opportunity scholarship 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 opportunity scholarship board, include soliciting funds and setting annual fund-raising goals. The program administrator shall be paid an administrative fee as determined by the opportunity scholarship 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 May 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; and

(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 opportunity scholarship 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 section 5 of this act, 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;

(c) Provide proof of receipt of grants and contributions from private sources to the board, 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 higher education coordinating board 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 opportunity scholarship 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 opportunity scholarship 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 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 opportunity scholarship 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.

NEW SECTION. Sec. 5. (1) The opportunity scholarship program is established.

(2) The purpose of this scholarship program is to provide scholarships that will help low and middle-income Washington

residents earn baccalaureate degrees in high employer demand and other programs of study and encourage them to remain in the state to work. The program must be designed for both students starting at two-year institutions of higher education and intending to transfer to four-year institutions of higher education and students starting at four-year institutions of higher education.

(3) The opportunity scholarship board shall determine which programs of study, including but not limited to high employer demand programs, are eligible for purposes of the opportunity scholarship.

(4) The source of funds for the program shall be a combination of private grants and contributions and state matching funds. A state match may be earned under this section for private contributions made on or after the effective date of this section. A state match, up to a maximum of fifty million dollars annually, shall be provided beginning the later of January 1, 2014, or January 1st next following the end of the fiscal year in which collections of state retail sales and use tax, state business and occupation tax, and state public utility tax exceed, by ten percent the amounts collected from these tax resources in the fiscal year that ended June 30, 2008, as determined by the department of revenue.

NEW SECTION. Sec. 6. (1) The opportunity scholarship match transfer account is created in the custody of the state treasurer as a nonappropriated account to be used solely and exclusively for the opportunity scholarship program created in section 5 of this act. The purpose of the account is to provide matching funds for the opportunity scholarship program.

(2) Revenues to the account shall consist of appropriations by the legislature into the account and any gifts, grants, or donations received by the director of the board for this purpose.

(3) No expenditures from the account may be made except upon receipt of proof, by the director of the board from the program administrator, of private contributions to the opportunity scholarship program. Expenditures, in the form of matching funds, may not exceed the total amount of private contributions.

(4) Only the director of the board or the director's designee may authorize expenditures from the opportunity scholarship match transfer account. Such authorization must be made as soon as practicable following receipt of proof as required under subsection (3) of this section.

NEW SECTION. Sec. 7. (1) The opportunity expansion program is established.

(2) The opportunity scholarship board shall select institutions of higher education to receive opportunity expansion awards. In so doing, the opportunity scholarship board must:

(a) Solicit, receive, and evaluate proposals from institutions of higher education that are designed to directly increase the number of baccalaureate degrees produced in high employer demand and other programs of study, and that include annual numerical targets for the number of such degrees, with a strong emphasis on serving students who received their high school diploma or GED in Washington or are adult Washington residents who are returning to school to gain a baccalaureate degree;

(b) Develop criteria for evaluating proposals and awarding funds to the proposals deemed most likely to increase the number of baccalaureate degrees and degrees produced in high employer demand and other programs of study;

(c) Give priority to proposals that include a partnership between public and private partnership entities that leverage additional private funds;

(d) Give priority to proposals that are innovative, efficient, and cost-effective, given the nature and cost of the particular program of study;

(e) Consult and operate in consultation with existing higher education stakeholders, including but not limited to: Faculty, labor, student organizations, and relevant higher education agencies; and

(f) Determine which proposals to improve and accelerate the production of baccalaureate degrees in high employer demand and other programs of study will receive opportunity expansion awards for the following state fiscal year, notify the state treasurer, and announce the awards.

(3) The state treasurer, at the direction of the opportunity scholarship board, must distribute the funds that have been awarded to the institutions of higher education from the opportunity expansion account.

(4) Institutions of higher education receiving awards under this section may not supplant existing general fund state revenues with opportunity expansion awards.

(5) Annually, the office of financial management shall report to the opportunity scholarship board, the governor, and the relevant committees of the legislature regarding the percentage of Washington households with incomes in the middle-income bracket or higher. For purposes of this section, "middle-income bracket" means household incomes between two hundred and five hundred percent of the 2010 federal poverty level, as determined by the United States department of health and human services for a family of four, adjusted annually for inflation.

(6) Annually, the higher education coordinating board must report to the opportunity scholarship board, the governor, and the relevant committees of the legislature regarding the increase in the number of degrees in high employer demand and other programs of study awarded by institutions of higher education over the average of the preceding ten academic years.

(7) In its comprehensive plan, the workforce training and education coordinating board shall include specific strategies to reach the goal of increasing the percentage of Washington households living in the middle-income bracket or higher, as calculated by the office of financial management and developed by the agency or education institution that will lead the strategy.

NEW SECTION. Sec. 8. (1) By December 1, 2012, and annually each December 1st thereafter, the opportunity scholarship board, together with the program administrator, shall report to the board, the governor, and the appropriate committees of the legislature regarding the opportunity scholarship and opportunity expansion programs, including but not limited to:

(a) Which education programs the opportunity scholarship board determined were eligible for purposes of the opportunity scholarship;

(b) The number of applicants for the opportunity scholarship, disaggregated, to the extent possible, by race, ethnicity, gender, county of origin, age, and median family income;

(c) The number of participants in the opportunity scholarship program, disaggregated, to the extent possible, by race, ethnicity, gender, county of origin, age, and median family income;

(d) The number and amount of the scholarships actually awarded, and whether the scholarships were paid from the scholarship account or the endowment account;

(e) The institutions and eligible education programs in which opportunity scholarship participants enrolled, together with data regarding participants' completion and graduation;

(f) The total amount of private contributions and state match moneys received for the opportunity scholarship program, how the funds were distributed between the scholarship and endowment accounts, the interest or other earnings on the accounts, and the amount of any administrative fee paid to the program administrator; and

(g) Identification of the programs the opportunity scholarship board selected to receive opportunity expansion awards and the amount of such awards.

(2) In the next succeeding legislative session following receipt of a report required under subsection (1) of this section, the appropriate committees of the legislature shall review the report and consider whether any legislative action is necessary with respect to either the

opportunity scholarship program or the opportunity expansion program, including but not limited to consideration of whether any legislative action is necessary with respect to the nature and level of focus on high employer demand fields and the number and amount of scholarships.

NEW SECTION. Sec. 9. (1) Beginning in 2018, the joint legislative audit and review committee shall evaluate the opportunity scholarship and opportunity expansion programs, and submit a report to the appropriate committees of the legislature by December 1, 2018. The committee's evaluation shall include, but not be limited to:

(a) The number and type of eligible education programs as determined by the opportunity scholarship board;

(b) The number of participants in the opportunity scholarship program in relation to the number of participants who completed a baccalaureate degree;

(c) The total cumulative number of students who received opportunity scholarships, and the total cumulative number of students who gained a baccalaureate degree after receiving an opportunity scholarship and the types of baccalaureate degrees awarded;

(d) The amount of private contributions to the opportunity scholarship program, annually and in total;

(e) The amount of state match moneys to the opportunity scholarship program, annually and in total;

(f) The amount of any administrative fees paid to the program administrator, annually and in total;

(g) The source and amount of funding, annually and cumulatively, for the opportunity expansion program;

(h) The number and type of proposals submitted by institutions for opportunity expansion awards, the number and type of proposals that received an award of opportunity expansion funds, and the amount of such awards;

(i) The total cumulative number of additional high employer demand degrees produced in Washington state due to the opportunity expansion program, including both the initial opportunity expansion awards and the subsequent inclusion in base funding; and

(j) Evidence that the existence of the opportunity scholarship and opportunity expansion programs have contributed to the achievement of the public policy objectives of helping to mitigate the impact of tuition increases, increasing the number of baccalaureate degrees in high employer demand and other programs, and investing in programs and students to meet market demands for a knowledge-based economy while filling middle-income jobs with a sufficient supply of skilled workers.

(2) In the event that the joint legislative audit and review committee is charged with completing an evaluation of other aspects of degree production, funding, or other aspects of higher education in 2018, and to the extent that it is economical and feasible to do so, the committee shall combine the multiple evaluations and submit a single report.

NEW SECTION. Sec. 10. A new section is added to chapter 82.32 RCW to read as follows:

A person eligible for the high technology research and development tax credit under RCW 82.04.4452 may contribute all or any portion of the credit to the opportunity expansion account hereby created in the state treasury. The department must create the forms and processes to allow a person to make such an election easily and quickly by means of checking a box. By May 1, 2012, and by May 1st of every year thereafter, the department must report the amount so contributed and certify the amount to the state treasurer. By July 1, 2012, and by July 1st of every year thereafter, the state treasurer must transfer the amount into the opportunity expansion account. Money in the account may only be appropriated for the purposes specified in section 7 of this act.

NEW SECTION. Sec. 11. This chapter may be known and cited as the opportunity scholarship act.

NEW SECTION. Sec. 12. Sections 1 through 9 and 11 of this act constitute a new chapter in Title 28B RCW.

NEW SECTION. Sec. 13. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, beginning on line 3 of the title, after "programs;" strike the remainder of the title and insert "adding a new section to chapter 82.32 RCW; adding a new chapter to Title 28B RCW; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoeman , Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2088 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Probst and Haler spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2088, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2088, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 91; Nays, 5; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Anderson, Chandler, Hasegawa, Overstreet and Taylor.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2088, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

May 25, 2011

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 2082 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. Intent. (1) The legislature finds that:

(a) Persons who have a long-term disability and apply for federal supplemental security income benefits should receive assistance while their application for federal benefits is pending, with repayment from the federal government of state-funded income assistance paid through the aged, blind, or disabled assistance program;

(b) Persons who are incapacitated from gainful employment for an extended period, but who may not meet the level of severity of a long-term disability, are at increased risk of homelessness; and

(c) Persons who are homeless and suffering from significant medical impairments, mental illness, or chemical dependency face substantial barriers to successful participation in, and completion of, needed medical or behavioral health treatment services. Stable housing increases the likelihood of compliance with and completion of treatment.

(2) Through this act, the legislature intends to:

(a) Terminate all components of the disability lifeline program created in 2010 and codified in RCW 74.04.005 and create new programs: (i) To provide financial grants through the aged, blind, and disabled assistance program and the pregnant women assistance program; and (ii) to provide services through the essential needs and housing support program; and

(b) Increase opportunities to utilize limited public funding, combined with private charitable and volunteer efforts to serve persons who are recipients of the benefits provided by the new programs created under this act.

NEW SECTION. Sec. 2. Effective October 31, 2011, the disability lifeline program, as defined under chapter 74.04 RCW, is terminated and all benefits provided under that program shall expire and cease to exist.

NEW SECTION. Sec. 3. (1)(a) Effective November 1, 2011, the aged, blind, or disabled assistance program shall provide financial grants to persons in need who:

(i) Are not eligible to receive federal aid assistance, other than basic food benefits transferred electronically and medical assistance;

(ii) Meet the eligibility requirements of subsection (3) of this section; and

(iii) Are aged, blind, or disabled. For purposes of determining eligibility for assistance for the aged, blind, or disabled assistance program, the following definitions apply:

(A) "Aged" means age sixty-five or older.

(B) "Blind" means statutorily blind as defined for the purpose of determining eligibility for the federal supplemental security income program.

(C) "Disabled" means likely to meet the federal supplemental security income disability standard. In making this determination, the department should give full consideration to the cumulative impact of an applicant's multiple impairments, an applicant's age, and vocational and educational history.

In determining whether a person is disabled, the department may rely on the following:

(I) A previous disability determination by the social security administration or the disability determination service entity within the department; or

(II) A determination that an individual is eligible to receive optional categorically needy medicaid as a disabled person under the federal regulations at 42 C.F.R. Parts 435, Secs. 201(a)(3) and 210.

(b) The following persons are not eligible for the aged, blind, or disabled assistance program:

(i) Persons who are not able to engage in gainful employment due primarily to alcohol or drug addiction. These persons shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the

time of eligibility review. This subsection may not be construed to prohibit the department from granting aged, blind, or disabled assistance benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for the aged, blind, or disabled assistance program; or

(ii) Persons for whom there has been a final determination of ineligibility for federal supplemental security income benefits.

(c) Persons may receive aged, blind, or disabled assistance benefits pending application for federal supplemental security income benefits. The monetary value of any aged, blind, or disabled assistance benefit that is subsequently duplicated by the person's receipt of supplemental security income for the same period shall be considered a debt due the state and shall by operation of law be subject to recovery through all available legal remedies.

(2) Effective November 1, 2011, the pregnant women assistance program shall provide financial grants to persons who:

(a) Are not eligible to receive federal aid assistance other than basic food benefits or medical assistance; and

(b) Are pregnant and in need, based upon the current income and resource standards of the federal temporary assistance for needy families program, but are ineligible for federal temporary assistance for needy families benefits for a reason other than failure to cooperate in program requirements; and

(c) Meet the eligibility requirements of subsection (3) of this section.

(3) To be eligible for the aged, blind, or disabled assistance program under subsection (1) of this section or the pregnant women assistance program under subsection (2) of this section, a person must:

(a) Be a citizen or alien lawfully admitted for permanent residence or otherwise residing in the United States under color of law;

(b) Have furnished the department his or her social security number. If the social security number cannot be furnished because it has not been issued or is not known, an application for a number shall be made prior to authorization of benefits, and the social security number shall be provided to the department upon receipt;

(c) Have not refused or failed without good cause to participate in drug or alcohol treatment if an assessment by a certified chemical dependency counselor indicates a need for such treatment. Good cause must be found to exist when a person's physical or mental condition, as determined by the department, prevents the person from participating in drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his or her residence or when needed inpatient treatment is not available in a location that is reasonably accessible for the person; and

(d) Not have refused or failed to cooperate in obtaining federal aid assistance, without good cause.

(4) Effective November 1, 2011, referrals for essential needs and housing support under section 4 of this act shall be provided to persons found eligible for medical care services under RCW 74.09.035 who are not recipients of alcohol and addiction services provided under chapter 74.50 RCW or are not recipients of aged, blind, or disabled assistance.

(5) No person may be considered an eligible individual for benefits under this section with respect to any month if during that month the person:

(a) Is fleeing to avoid prosecution of, or to avoid custody or confinement for conviction of, a felony, or an attempt to commit a felony, under the laws of the state of Washington or the place from which the person flees; or

(b) Is violating a condition of probation, community supervision, or parole imposed under federal or state law for a felony or gross misdemeanor conviction.

(6) The department must review the cases of all persons, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, or recipients of aged, blind, or disabled assistance, who have received medical care services for twelve consecutive months, and at least annually after the first review, to determine whether they are eligible for the aged, blind, or disabled assistance program.

NEW SECTION. Sec. 4. A new section is added to chapter 43.185C RCW to read as follows:

Grants to local governments and community-based organizations for essential needs and housing support. (1) The department shall distribute funds for the essential needs and housing support program established under this section in a manner consistent with the requirements of this section and the biennial operating budget. The first distribution of funds must be completed by September 1, 2011. Essential needs or housing support is only for persons found eligible for such services under section 3(4) of this act and is not considered an entitlement.

(2) The department shall distribute funds appropriated for the essential needs and housing support program in the form of grants to designated essential needs support and housing support entities within each county. The department shall not distribute any funds until it approves the expenditure plan submitted by the designated essential needs support and housing support entities. The amount of funds to be distributed pursuant to this section shall be designated in the biennial operating budget. For the sole purpose of meeting the initial distribution of funds date, the department may distribute partial funds upon the department's approval of a preliminary expenditure plan. The department shall not distribute the remaining funds until it has approved a final expenditure plan.

(3)(a) During the 2011-2013 biennium, in awarding housing support that is not funded through the contingency fund in this subsection, the designated housing support entity shall provide housing support to clients who are homeless persons as defined in RCW 43.185C.010. As provided in the biennial operating budget for the 2011-2013 biennium, a contingency fund shall be used solely for those clients who are at substantial risk of losing stable housing or at substantial risk of losing one of the other services defined in section 7(6) of this act. For purposes of this chapter, "substantial risk" means the client has provided documentation that he or she will lose his or her housing within the next thirty days or that the services will be discontinued within the next thirty days.

(b) After July 1, 2013, the designated housing support entity shall give first priority to clients who are homeless persons as defined in RCW 43.185C.010 and second priority to clients who would be at substantial risk of losing stable housing without housing support.

(4) For each county, the department shall designate an essential needs support entity and a housing support entity that will begin providing these supports to medical care services program recipients on November 1, 2011. Essential needs and housing support entities are not required to provide assistance to every medical care services recipient that is referred to the local entity or who meets the priority standards in subsection (3) of this section.

(a) Each designated entity must be a local government or community-based organization, and may administer the funding for essential needs support, housing support, or both. Designated entities have the authority to subcontract with qualified entities. Upon request, and the approval of the department, two or more counties may combine resources to more effectively deliver services.

(b) The department's designation process must include a review of proficiency in managing housing or human services programs when designating housing support entities.

(c) Within a county, if the department directly awards separate grants to the designated housing support entity and the designated essential needs support entity, the department shall determine the amount allocated for essential needs support as directed in the biennial operating budget.

(5)(a) Essential needs and housing support entities must use funds distributed under this section as flexibly as is practicable to provide essential needs items and housing support to recipients of the essential needs and housing support program, subject to the requirements of this section.

(b) Benefits provided under the essential needs and housing support program shall not be provided to recipients in the form of cash assistance.

(c) The appropriations by the legislature for the purposes of the essential needs and housing support program established under this section shall be based on forecasted program caseloads. The caseload forecast council shall provide a courtesy forecast of the medical care services recipient population that is homeless or is included in reporting under subsection (7)(c)(iii) of this section. The department may move funds between entities or between counties to reflect actual caseload changes. In doing so, the department must: (i) Develop a process for reviewing the caseload of designated essential needs and housing support entities, and for redistributing grant funds from those entities experiencing reduced actual caseloads to those with increased actual caseloads; and (ii) inform all designated entities of the redistribution process. Savings resulting from program caseload attrition from the essential needs and housing support program shall not result in increased per-client expenditures.

(d) Essential needs and housing support entities must partner with other public and private organizations to maximize the beneficial impact of funds distributed under this section, and should attempt to leverage other sources of public and private funds to serve essential needs and housing support recipients. Funds appropriated in the operating budget for essential needs and housing support must be used only to serve persons eligible to receive services under that program.

(6) The department shall use no more than five percent of the funds for administration of the essential needs and housing support program. Each essential needs and housing support entity shall use no more than seven percent of the funds for administrative expenses.

(7) The department shall:

(a) Require housing support entities to enter data into the homeless client management information system;

(b) Require essential needs support entities to report on services provided under this section;

(c) In collaboration with the department of social and health services, submit a report annually to the relevant policy and fiscal committees of the legislature. A preliminary report shall be submitted by December 31, 2011, and must include (c)(i), (iii), and (v) of this subsection. Annual reports must be submitted beginning December 1, 2012, and must include:

(i) A description of the actions the department has taken to achieve the objectives of this act;

(ii) The amount of funds used by the department to administer the program;

(iii) Information on the housing status of essential needs and housing support recipients served by housing support entities, and individuals who have requested housing support but did not receive housing support;

(iv) Grantee expenditure data related to administration and services provided under this section; and

(v) Efforts made to partner with other entities and leverage sources or public and private funds;

(d) Review the data submitted by the designated entities, and make recommendations for program improvements and administrative efficiencies. The department has the authority to designate alternative entities as necessary due to performance or other significant issues. Such change must only be made after consultation with the department of social and health services and the impacted entity.

(8) The department, counties, and essential needs and housing support entities are not civilly or criminally liable and may not have any penalty or cause of action of any nature arise against them related to decisions regarding: (a) The provision or lack of provision of housing or essential needs support; or (b) the type of housing arrangement supported with funds allocated under this section, when the decision was made in good faith and in the performance of the powers and duties under this section. However, this section does not prohibit legal actions against the department, county, or essential needs or housing support entity to enforce contractual duties or obligations.

NEW SECTION. Sec. 5. A new section is added to chapter 43.185C RCW to read as follows:

The department, in collaboration with the department of social and health services, shall develop a mechanism through which the department and local governments or community-based organizations can verify a person has been determined eligible and remains eligible for medical care services under RCW 74.09.035 by the department of social and health services.

Sec. 6. RCW 74.09.035 and 2011 c 284 s 3 are each amended to read as follows:

(1) To the extent of available funds, medical care services may be provided to ((recipients of disability lifeline benefits, persons denied disability lifeline benefits under RCW 74.04.005(5)(b) or 74.04.655 who otherwise meet the requirements of RCW 74.04.005(5)(a), and recipients of alcohol and drug addiction services provided under chapter 74.50 RCW, in accordance with medical eligibility requirements established by the department.));

(a) Persons who:

(i) Are incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of ninety days as determined by the department. The standard for incapacity in this subsection, as evidenced by the ninety-day duration standard, is not intended to be as stringent as federal supplemental security income disability standards;

(ii) Are citizens or aliens lawfully admitted for permanent residence or otherwise residing in the United States under color of law;

(iii) Have furnished the department their social security number. If the social security number cannot be furnished because it has not been issued or is not known, an application for a number shall be made prior to authorization of benefits, and the social security number shall be provided to the department upon receipt;

(iv) Have countable income as described in RCW 74.04.005 at or below four hundred twenty-eight dollars for a married couple or at or below three hundred thirty-nine dollars for a single individual; and

(v) Do not have countable resources in excess of those described in RCW 74.04.005.

(b) Persons eligible for the aged, blind, or disabled assistance program authorized in section 3 of this act and who are not eligible for medicaid under RCW 74.09.510.

(c) Persons eligible for alcohol and drug addiction services provided under chapter 74.50 RCW, in accordance with medical eligibility requirements established by the department.

(d) The following persons are not eligible for medical care services:

(i) Persons who are unemployable due primarily to alcohol or drug addiction, except as provided in (c) of this subsection. These persons shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the time of eligibility review. This subsection shall not be construed to prohibit the department from granting medical care services benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for medical care services;

(ii) Persons who refuse or fail to cooperate in obtaining federal aid assistance, without good cause;

(iii) Persons who refuse or fail without good cause to participate in drug or alcohol treatment if an assessment by a certified chemical dependency counselor indicates a need for such treatment. Good cause must be found to exist when a person's physical or mental condition, as determined by the department, prevents the person from participating in drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his or her residence or when needed inpatient treatment is not available in a location that is reasonably accessible for the person; and

(iv) Persons who are fleeing to avoid prosecution of, or to avoid custody or confinement for conviction of, a felony, or an attempt to commit a felony, under the laws of the state of Washington or the place from which the person flees; or who are violating a condition of probation, community supervision, or parole imposed under federal or state law for a felony or gross misdemeanor conviction.

(e) For purposes of determining whether a person is incapacitated from gainful employment under (a) of this subsection:

(i) The department shall adopt by rule medical criteria for incapacity determinations to ensure that eligibility decisions are consistent with statutory requirements and are based on clear, objective medical information; and

(ii) The process implementing the medical criteria shall involve consideration of opinions of the treating or consulting physicians or health care professionals regarding incapacity, and any eligibility decision which rejects uncontroverted medical opinion must set forth clear and convincing reasons for doing so.

(f) For purposes of reviewing a person's continuing eligibility and in order to remain eligible for the program, persons who have been found to have an incapacity from gainful employment must demonstrate that there has been no material improvement in their medical or mental health condition. The department may discontinue benefits when there was specific error in the prior determination that found the person eligible by reason of incapacitation.

(2) Enrollment in medical care services may not result in expenditures that exceed the amount that has been appropriated in the operating budget. If it appears that continued enrollment will result in expenditures exceeding the appropriated level for a particular fiscal year, the department may freeze new enrollment and establish a waiting list of ((eligible)) persons who may receive benefits only when sufficient funds are available. ((Upon implementation of a federal medicaid 1115 waiver providing federal matching funds for medical care services, persons subject to termination of disability lifeline benefits under RCW 74.04.005(5)(h) remain enrolled in medical care services and persons subject to denial of disability lifeline benefits under RCW 74.04.005(5)(h) remain eligible for medical care services.

(2)) (3) Determination of the amount, scope, and duration of medical care services shall be limited to coverage as defined by the department, except that adult dental, and routine foot care shall not be included unless there is a specific appropriation for these services.

((3)) (4) The department shall enter into performance-based contracts with one or more managed health care systems for the provision of medical care services ((to recipients of disability lifeline benefits)) under this section. The contract must provide for integrated delivery of medical and mental health services.

((4)) (5) The department shall establish standards of assistance and resource and income exemptions, which may include deductibles and co-insurance provisions. In addition, the department may include a prohibition against the voluntary assignment of property or cash for the purpose of qualifying for assistance.

((5)) (6) Residents of skilled nursing homes, intermediate care facilities, and intermediate care facilities for persons with intellectual disabilities, as that term is described by federal law, who are eligible

for medical care services shall be provided medical services to the same extent as provided to those persons eligible under the medical assistance program.

((6) Eligibility for medical care services shall commence with the date of certification for disability lifeline benefits or the date of eligibility for alcohol and drug addiction services provided under chapter 74.50 RCW.)

(7) Eligibility for medical care services shall commence with the date of certification for medical care services, date of eligibility for the aged, blind, or disabled assistance program provided under section 3 of this act, or the date of eligibility for alcohol and drug addiction services provided under chapter 74.50 RCW.

NEW SECTION. Sec. 7. For the purposes of this chapter, unless the context indicates otherwise, the following definitions shall apply:

(1) "Aged, blind, and disabled assistance program" means the program established under section 3 of this act.

(2) "Department" means the department of social and health services.

(3) "Director" or "secretary" means the secretary of social and health services.

(4) "Essential needs and housing support program" means the program established under section 4 of this act.

(5) "Essential needs support" means personal health and hygiene items, cleaning supplies, other necessary items and transportation passes or tokens provided through an essential needs support entity established under section 4 of this act.

(6) "Housing support" means assistance provided by a designated housing support entity established under section 4 of this act to maintain existing housing when the client is at substantial risk of becoming homeless, to obtain housing, or to obtain heat, electricity, natural gas, sewer, garbage, and water services when the client is at substantial risk of losing these services.

(7) "Pregnant women assistance program" means the program established under section 3 of this act.

(8) In the construction of words and phrases used in this chapter, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders, and the present tense shall include the past and future tenses, unless the context thereof shall clearly indicate to the contrary.

Sec. 8. RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended to read as follows:

For the purposes of this title, unless the context indicates otherwise, the following definitions shall apply:

(1) "Public assistance" or "assistance"((-)) means public aid to persons in need thereof for any cause, including services, medical care, assistance grants, disbursing orders, work relief, ((disability lifeline)) benefits under sections 3 and 4 of this act, and federal aid assistance.

(2) "Department"((-)) means the department of social and health services.

(3) "County or local office"((-)) means the administrative office for one or more counties or designated service areas.

(4) "Director" or "secretary" means the secretary of social and health services.

(5) "((Disability lifeline)) Essential needs and housing support program" means ((a program that provides aid and support in accordance with the conditions set out in this subsection.

(a) Aid and assistance shall be provided to persons who are not eligible to receive federal aid assistance, other than basic food benefits transferred electronically and medical assistance and meet one of the following conditions:

(i) Are pregnant and in need, based upon the current income and resource requirements of the federal temporary assistance for needy families program; or

(ii) Are incapacitated from gainful employment by reason of bodily or mental infirmity that will likely continue for a minimum of

ninety days as determined by the department. The standard for incapacity in this subsection, as evidenced by the ninety-day duration standard, is not intended to be as stringent as federal supplemental security income disability standards; and

(A) Are citizens or aliens lawfully admitted for permanent residence or otherwise residing in the United States under color of law;

(B) Have furnished the department their social security number. If the social security number cannot be furnished because it has not been issued or is not known, an application for a number shall be made prior to authorization of benefits, and the social security number shall be provided to the department upon receipt;

(C) Have not refused or failed without good cause to participate in drug or alcohol treatment if an assessment by a certified chemical dependency counselor indicates a need for such treatment. Good cause must be found to exist when a person's physical or mental condition, as determined by the department, prevents the person from participating in drug or alcohol dependency treatment, when needed outpatient drug or alcohol treatment is not available to the person in the county of his or her residence or when needed inpatient treatment is not available in a location that is reasonably accessible for the person; and

(D) Have not refused or failed without good cause to participate in vocational rehabilitation services, if an assessment conducted under RCW 74.04.655 indicates that the person might benefit from such services. Good cause must be found to exist when a person's physical or mental condition, as determined by the department, prevents the person from participating in vocational rehabilitation services, or when vocational rehabilitation services are not available to the person in the county of his or her residence.

(b)(i) Persons who initially apply and are found eligible for disability lifeline benefits based upon incapacity from gainful employment under (a) of this subsection on or after September 2, 2010, who are homeless and have been assessed as needing chemical dependency or mental health treatment or both, must agree, as a condition of eligibility for the disability lifeline program, to accept a housing voucher in lieu of a cash grant if a voucher is available. The department shall establish the dollar value of the housing voucher. The dollar value of the housing voucher may differ from the value of the cash grant. Persons receiving a housing voucher under this subsection also shall receive a cash stipend of fifty dollars per month.

(ii) If the department of commerce has determined under RCW 43.330.175 that sufficient housing is not available, persons described in this subsection who apply for disability lifeline benefits during the time period that housing is not available shall receive a cash grant in lieu of a cash stipend and housing voucher.

(iii) Persons who refuse to accept a housing voucher under this subsection but otherwise meet the eligibility requirements of (a) of this subsection are eligible for medical care services benefits under RCW 74.09.035, subject to the time limits in (h) of this subsection.

(c) The following persons are not eligible for the disability lifeline program:

(i) Persons who are unemployable due primarily to alcohol or drug addiction. These persons shall be referred to appropriate assessment, treatment, shelter, or supplemental security income referral services as authorized under chapter 74.50 RCW. Referrals shall be made at the time of application or at the time of eligibility review. This subsection shall not be construed to prohibit the department from granting disability lifeline benefits to alcoholics and drug addicts who are incapacitated due to other physical or mental conditions that meet the eligibility criteria for the disability lifeline program;

(ii) Persons who refuse or fail to cooperate in obtaining federal aid assistance, without good cause.

(d) Disability lifeline benefits shall be provided only to persons who are not members of assistance units receiving federal aid

assistance, except as provided in (a) of this subsection, and who will accept available services that can reasonably be expected to enable the person to work or reduce the need for assistance unless there is good cause to refuse. Failure to accept such services shall result in termination until the person agrees to cooperate in accepting such services and subject to the following maximum periods of ineligibility reapplication:

(i) First failure: One week;

(ii) Second failure within six months: One month;

(iii) Third and subsequent failure within one year: Two months.

(e) Persons who are likely eligible for federal supplemental security income benefits shall be moved into the disability lifeline expedited component of the disability lifeline program. Persons placed in the expedited component of the program may, if otherwise eligible, receive disability lifeline benefits pending application for federal supplemental security income benefits. The monetary value of any disability lifeline benefit that is subsequently duplicated by the person's receipt of supplemental security income for the same period shall be considered a debt due the state and shall by operation of law be subject to recovery through all available legal remedies.

(f) For purposes of determining whether a person is incapacitated from gainful employment under (a) of this subsection:

(i) The department shall adopt by rule medical criteria for disability lifeline incapacity determinations to ensure that eligibility decisions are consistent with statutory requirements and are based on clear, objective medical information; and

(ii) The process implementing the medical criteria shall involve consideration of opinions of the treating or consulting physicians or health care professionals regarding incapacity, and any eligibility decision which rejects uncontroverted medical opinion must set forth clear and convincing reasons for doing so.

(g) Persons receiving disability lifeline benefits based upon a finding of incapacity from gainful employment who remain otherwise eligible shall have their benefits discontinued unless the recipient demonstrates no material improvement in their medical or mental health condition. The department may discontinue benefits when there was specific error in the prior determination that found the person eligible by reason of incapacitation.

(h)(i) Beginning September 1, 2010, no person who is currently receiving or becomes eligible for disability lifeline program benefits shall be eligible to receive benefits under the program for more than twenty-four months in a sixty-month period. For purposes of this subsection, months of receipt of general assistance-unemployable benefits count toward the twenty-four month limit. Months during which a person received benefits under the expedited component of the disability lifeline or general assistance program or under the aged, blind, or disabled component of the disability lifeline or general assistance program shall not be included when determining whether a person has been receiving benefits for more than twenty-four months. On or before July 1, 2010, the department must review the cases of all persons who have received disability lifeline benefits or general assistance unemployable benefits for at least twenty months as of that date. On or before September 1, 2010, the department must review the cases of all remaining persons who have received disability lifeline benefits for at least twelve months as of that date. The review should determine whether the person meets the federal supplemental security income disability standard and, if the person does not meet that standard, whether the receipt of additional services could lead to employability. If a need for additional services is identified, the department shall provide case management services, such as assistance with arranging transportation or locating stable housing, that will facilitate the person's access to needed services. A person may not be determined ineligible due to exceeding the time limit unless he or she has received a case review under this subsection finding that the person does not meet the federal supplemental security income disability standard.

(ii) The time limits established under this subsection expire June 30, 2013.

(i) No person may be considered an eligible individual for disability lifeline benefits with respect to any month if during that month the person:

(i) Is fleeing to avoid prosecution of, or to avoid custody or confinement for conviction of, a felony, or an attempt to commit a felony, under the laws of the state of Washington or the place from which the person flees; or

(ii) Is violating a condition of probation, community supervision, or parole imposed under federal or state law for a felony or gross misdemeanor conviction) the program established in section 4 of this act.

(6) ("Disability lifeline expedited" means a component of the disability lifeline program under which persons receiving disability lifeline benefits have been determined, after examination by an appropriate health care provider, to be likely to be eligible for federal supplemental security income benefits based on medical and behavioral health evidence that meets the disability standards used for the federal supplemental security income program.

(7)) "Aged, blind, or disabled assistance program" means the program established under section 3 of this act.

(7) "Federal aid assistance"((-)) means the specific categories of assistance for which provision is made in any federal law existing or hereafter passed by which payments are made from the federal government to the state in aid or in respect to payment by the state for public assistance rendered to any category of needy persons for which provision for federal funds or aid may from time to time be made, or a federally administered needs-based program.

(8) "Applicant"((-)) means any person who has made a request, or on behalf of whom a request has been made, to any county or local office for assistance.

(9) "Recipient"((-)) means any person receiving assistance and in addition those dependents whose needs are included in the recipient's assistance.

(10) "Standards of assistance"((-)) means the level of income required by an applicant or recipient to maintain a level of living specified by the department.

(11) "Resource"((-)) means any asset, tangible or intangible, owned by or available to the applicant at the time of application, which can be applied toward meeting the applicant's need, either directly or by conversion into money or its equivalent. The department may by rule designate resources that an applicant may retain and not be ineligible for public assistance because of such resources. Exempt resources shall include, but are not limited to:

(a) A home that an applicant, recipient, or their dependents is living in, including the surrounding property;

(b) Household furnishings and personal effects;

(c) A motor vehicle, other than a motor home, used and useful having an equity value not to exceed five thousand dollars;

(d) A motor vehicle necessary to transport a household member with a physical disability. This exclusion is limited to one vehicle per person with a physical disability;

(e) All other resources, including any excess of values exempted, not to exceed one thousand dollars or other limit as set by the department, to be consistent with limitations on resources and exemptions necessary for federal aid assistance. The department shall also allow recipients of temporary assistance for needy families to exempt savings accounts with combined balances of up to an additional three thousand dollars;

(f) Applicants for or recipients of (~~disability lifeline~~) benefits under sections 3 and 4 of this act shall have their eligibility based on resource limitations consistent with the temporary assistance for needy families program rules adopted by the department; and

(g) If an applicant for or recipient of public assistance possesses property and belongings in excess of the ceiling value, such value

shall be used in determining the need of the applicant or recipient, except that: (i) The department may exempt resources or income when the income and resources are determined necessary to the applicant's or recipient's restoration to independence, to decrease the need for public assistance, or to aid in rehabilitating the applicant or recipient or a dependent of the applicant or recipient; and (ii) the department may provide grant assistance for a period not to exceed nine months from the date the agreement is signed pursuant to this section to persons who are otherwise ineligible because of excess real property owned by such persons when they are making a good faith effort to dispose of that property(~~(- PROVIDED, That))~~ if:

(A) The applicant or recipient signs an agreement to repay the lesser of the amount of aid received or the net proceeds of such sale;

(B) If the owner of the excess property ceases to make good faith efforts to sell the property, the entire amount of assistance may become an overpayment and a debt due the state and may be recovered pursuant to RCW 43.20B.630;

(C) Applicants and recipients are advised of their right to a fair hearing and afforded the opportunity to challenge a decision that good faith efforts to sell have ceased, prior to assessment of an overpayment under this section; and

(D) At the time assistance is authorized, the department files a lien without a sum certain on the specific property.

(12) "Income"((-)) means:

(a) All appreciable gains in real or personal property (cash or kind) or other assets, which are received by or become available for use and enjoyment by an applicant or recipient during the month of application or after applying for or receiving public assistance. The department may by rule and regulation exempt income received by an applicant for or recipient of public assistance which can be used by him or her to decrease his or her need for public assistance or to aid in rehabilitating him or her or his or her dependents, but such exemption shall not, unless otherwise provided in this title, exceed the exemptions of resources granted under this chapter to an applicant for public assistance. In addition, for cash assistance the department may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

(b) If, under applicable federal requirements, the state has the option of considering property in the form of lump sum compensatory awards or related settlements received by an applicant or recipient as income or as a resource, the department shall consider such property to be a resource.

(13) "Need"((-)) means the difference between the applicant's or recipient's standards of assistance for himself or herself and the dependent members of his or her family, as measured by the standards of the department, and value of all nonexempt resources and nonexempt income received by or available to the applicant or recipient and the dependent members of his or her family.

(14) For purposes of determining eligibility for public assistance and participation levels in the cost of medical care, the department shall exempt restitution payments made to people of Japanese and Aleutian ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian and Pribilof Island Restitution Act passed by congress, P.L. 100-383, including all income and resources derived therefrom.

(15) In the construction of words and phrases used in this title, the singular number shall include the plural, the masculine gender shall include both the feminine and neuter genders, and the present tense shall include the past and future tenses, unless the context thereof shall clearly indicate to the contrary.

Sec. 9. RCW 74.09.510 and 2010 c 94 s 24 are each amended to read as follows:

Medical assistance may be provided in accordance with eligibility requirements established by the department, as defined in the social security Title XIX state plan for mandatory categorically needy persons and:

(1) Individuals who would be eligible for cash assistance except for their institutional status;

(2) Individuals who are under twenty-one years of age, who would be eligible for medicaid, but do not qualify as dependent children and who are in (a) foster care, (b) subsidized adoption, (c) a nursing facility or an intermediate care facility for persons with intellectual disabilities, or (d) inpatient psychiatric facilities;

(3) Individuals who:

(a) Are under twenty-one years of age;

(b) On or after July 22, 2007, were in foster care under the legal responsibility of the department or a federally recognized tribe located within the state; and

(c) On their eighteenth birthday, were in foster care under the legal responsibility of the department or a federally recognized tribe located within the state;

(4) Persons who are aged, blind, or disabled who: (a) Receive only a state supplement, or (b) would not be eligible for cash assistance if they were not institutionalized;

(5) Categorically eligible individuals who meet the income and resource requirements of the cash assistance programs;

(6) Individuals who are enrolled in managed health care systems, who have otherwise lost eligibility for medical assistance, but who have not completed a current six-month enrollment in a managed health care system, and who are eligible for federal financial participation under Title XIX of the social security act;

(7) Children and pregnant women allowed by federal statute for whom funding is appropriated;

(8) Working individuals with disabilities authorized under section 1902(a)(10)(A)(ii) of the social security act for whom funding is appropriated;

(9) Other individuals eligible for medical services under RCW 74.09.035 based on age, blindness, or disability and income and resources standards for medical care services and 74.09.700 for whom federal financial participation is available under Title XIX of the social security act;

(10) Persons allowed by section 1931 of the social security act for whom funding is appropriated; and

(11) Women who: (a) Are under sixty-five years of age; (b) have been screened for breast and cervical cancer under the national breast and cervical cancer early detection program administered by the department of health or tribal entity and have been identified as needing treatment for breast or cervical cancer; and (c) are not otherwise covered by health insurance. Medical assistance provided under this subsection is limited to the period during which the woman requires treatment for breast or cervical cancer, and is subject to any conditions or limitations specified in the omnibus appropriations act.

Sec. 10. RCW 74.50.055 and 1989 1st ex.s. c 18 s 4 are each amended to read as follows:

(1) A person shall not be eligible for treatment services under this chapter unless he or she:

(a) Meets the ~~((financial))~~ income and resource eligibility requirements ~~((contained in RCW 74.04.005))~~ for the medical care services program under RCW 74.09.035(1)(a)(iv) and (v); and

(b) Is incapacitated from gainful employment, which incapacity will likely continue for a minimum of sixty days.

(2) First priority for receipt of treatment services shall be given to pregnant women and parents of young children.

(3) In order to rationally allocate treatment services, the department may establish by rule caseload ceilings and additional eligibility criteria, including the setting of priorities among classes of persons for the receipt of treatment services. Any such rules shall be consistent with any conditions or limitations contained in any appropriations for treatment services.

Sec. 11. RCW 70.96A.530 and 2010 1st sp.s. c 8 s 10 are each amended to read as follows:

If an assessment by a certified chemical dependency counselor indicates a need for drug or alcohol treatment, in order to enable a person receiving ~~((disability-lifeline))~~ benefits under sections 3 and 4

of this act to improve his or her health status and transition from ~~((disability-lifeline))~~ those benefits to employment, or transition to federal disability benefits, the person must be given high priority for enrollment in treatment, within funds appropriated for that treatment. However, first priority for receipt of treatment services must be given to pregnant women and parents of young children. This section expires June 30, 2013. ~~((Persons who are terminated from disability-lifeline benefits under RCW 74.04.005(5)(h) and are actively engaged in chemical dependency treatment during the month they are terminated shall be provided the opportunity to complete their current course of treatment.))~~

Sec. 12. RCW 10.101.010 and 2010 1st sp.s. c 8 s 12 are each amended to read as follows:

The following definitions shall be applied in connection with this chapter:

(1) "Indigent" means a person who, at any stage of a court proceeding, is:

(a) Receiving one of the following types of public assistance: Temporary assistance for needy families, ~~((disability-lifeline))~~ aged, blind, or disabled assistance benefits, medical care services under RCW 74.09.035, pregnant women assistance benefits, poverty-related veterans' benefits, food stamps or food stamp benefits transferred electronically, refugee resettlement benefits, medicaid, or supplemental security income; or

(b) Involuntarily committed to a public mental health facility; or

(c) Receiving an annual income, after taxes, of one hundred twenty- five percent or less of the current federally established poverty level; or

(d) Unable to pay the anticipated cost of counsel for the matter before the court because his or her available funds are insufficient to pay any amount for the retention of counsel.

(2) "Indigent and able to contribute" means a person who, at any stage of a court proceeding, is unable to pay the anticipated cost of counsel for the matter before the court because his or her available funds are less than the anticipated cost of counsel but sufficient for the person to pay a portion of that cost.

(3) "Anticipated cost of counsel" means the cost of retaining private counsel for representation on the matter before the court.

(4) "Available funds" means liquid assets and disposable net monthly income calculated after provision is made for bail obligations. For the purpose of determining available funds, the following definitions shall apply:

(a) "Liquid assets" means cash, savings accounts, bank accounts, stocks, bonds, certificates of deposit, equity in real estate, and equity in motor vehicles. A motor vehicle necessary to maintain employment and having a market value not greater than three thousand dollars shall not be considered a liquid asset.

(b) "Income" means salary, wages, interest, dividends, and other earnings which are reportable for federal income tax purposes, and cash payments such as reimbursements received from pensions, annuities, social security, and public assistance programs. It includes any contribution received from any family member or other person who is domiciled in the same residence as the defendant and who is helping to defray the defendant's basic living costs.

(c) "Disposable net monthly income" means the income remaining each month after deducting federal, state, or local income taxes, social security taxes, contributory retirement, union dues, and basic living costs.

(d) "Basic living costs" means the average monthly amount spent by the defendant for reasonable payments toward living costs, such as shelter, food, utilities, health care, transportation, clothing, loan payments, support payments, and court-imposed obligations.

Sec. 13. RCW 13.34.030 and 2011 c 330 s 3 and 2011 c 309 s 22 are each reenacted and amended to read as follows:

For purposes of this chapter:

(1) "Abandoned" means when the child's parent, guardian, or other custodian has expressed, either by statement or conduct, an intent to forego, for an extended period, parental rights or responsibilities despite an ability to exercise such rights and responsibilities. If the court finds that the petitioner has exercised due diligence in attempting to locate the parent, no contact between the child and the child's parent, guardian, or other custodian for a period of three months creates a rebuttable presumption of abandonment, even if there is no expressed intent to abandon.

(2) "Child," "juvenile," and "youth" means:

(a) Any individual under the age of eighteen years; or

(b) Any individual age eighteen to twenty-one years who is eligible to receive and who elects to receive the extended foster care services authorized under RCW 74.13.031. A youth who remains dependent and who receives extended foster care services under RCW 74.13.031 shall not be considered a "child" under any other statute or for any other purpose.

(3) "Current placement episode" means the period of time that begins with the most recent date that the child was removed from the home of the parent, guardian, or legal custodian for purposes of placement in out-of-home care and continues until: (a) The child returns home; (b) an adoption decree, a permanent custody order, or guardianship order is entered; or (c) the dependency is dismissed, whichever occurs first.

(4) "Department" means the department of social and health services.

(5) "Dependency guardian" means the person, nonprofit corporation, or Indian tribe appointed by the court pursuant to this chapter for the limited purpose of assisting the court in the supervision of the dependency.

(6) "Dependent child" means any child who:

(a) Has been abandoned;

(b) Is abused or neglected as defined in chapter 26.44 RCW by a person legally responsible for the care of the child;

(c) Has no parent, guardian, or custodian capable of adequately caring for the child, such that the child is in circumstances which constitute a danger of substantial damage to the child's psychological or physical development; or

(d) Is receiving extended foster care services, as authorized by RCW 74.13.031.

(7) "Developmental disability" means a disability attributable to intellectual disability, cerebral palsy, epilepsy, autism, or another neurological or other condition of an individual found by the secretary to be closely related to an intellectual disability or to require treatment similar to that required for individuals with intellectual disabilities, which disability originates before the individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial limitation to the individual.

(8) "Guardian" means the person or agency that: (a) Has been appointed as the guardian of a child in a legal proceeding, including a guardian appointed pursuant to chapter 13.36 RCW; and (b) has the legal right to custody of the child pursuant to such appointment. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under this chapter.

(9) "Guardian ad litem" means a person, appointed by the court to represent the best interests of a child in a proceeding under this chapter, or in any matter which may be consolidated with a proceeding under this chapter. A "court-appointed special advocate" appointed by the court to be the guardian ad litem for the child, or to perform substantially the same duties and functions as a guardian ad litem, shall be deemed to be guardian ad litem for all purposes and uses of this chapter.

(10) "Guardian ad litem program" means a court-authorized volunteer program, which is or may be established by the superior court of the county in which such proceeding is filed, to manage all aspects of volunteer guardian ad litem representation for children

alleged or found to be dependent. Such management shall include but is not limited to: Recruitment, screening, training, supervision, assignment, and discharge of volunteers.

(11) "Housing assistance" means appropriate referrals by the department or other supervising agencies to federal, state, local, or private agencies or organizations, assistance with forms, applications, or financial subsidies or other monetary assistance for housing. For purposes of this chapter, "housing assistance" is not a remedial service or time-limited family reunification service as described in RCW 13.34.025(2).

(12) "Indigent" means a person who, at any stage of a court proceeding, is:

(a) Receiving one of the following types of public assistance: Temporary assistance for needy families, ~~((disability lifetime))~~ aged, blind, or disabled assistance benefits, medical care services under RCW 74.09.035, pregnant women assistance benefits, poverty-related veterans' benefits, food stamps or food stamp benefits transferred electronically, refugee resettlement benefits, medicaid, or supplemental security income; or

(b) Involuntarily committed to a public mental health facility; or

(c) Receiving an annual income, after taxes, of one hundred twenty- five percent or less of the federally established poverty level; or

(d) Unable to pay the anticipated cost of counsel for the matter before the court because his or her available funds are insufficient to pay any amount for the retention of counsel.

(13) "Out-of-home care" means placement in a foster family home or group care facility licensed pursuant to chapter 74.15 RCW or placement in a home, other than that of the child's parent, guardian, or legal custodian, not required to be licensed pursuant to chapter 74.15 RCW.

(14) "Preventive services" means preservation services, as defined in chapter 74.14C RCW, and other reasonably available services, including housing assistance, capable of preventing the need for out-of-home placement while protecting the child.

(15) "Shelter care" means temporary physical care in a facility licensed pursuant to RCW 74.15.030 or in a home not required to be licensed pursuant to RCW 74.15.030.

(16) "Sibling" means a child's birth brother, birth sister, adoptive brother, adoptive sister, half-brother, or half-sister, or as defined by the law or custom of the Indian child's tribe for an Indian child as defined in ~~((section 4 of this act))~~ RCW 13.--.-- (section 4, chapter 309, Laws of 2011).

(17) "Social study" means a written evaluation of matters relevant to the disposition of the case and shall contain the following information:

(a) A statement of the specific harm or harms to the child that intervention is designed to alleviate;

(b) A description of the specific services and activities, for both the parents and child, that are needed in order to prevent serious harm to the child; the reasons why such services and activities are likely to be useful; the availability of any proposed services; and the agency's overall plan for ensuring that the services will be delivered. The description shall identify the services chosen and approved by the parent;

(c) If removal is recommended, a full description of the reasons why the child cannot be protected adequately in the home, including a description of any previous efforts to work with the parents and the child in the home; the in-home treatment programs that have been considered and rejected; the preventive services, including housing assistance, that have been offered or provided and have failed to prevent the need for out-of-home placement, unless the health, safety, and welfare of the child cannot be protected adequately in the home; and the parents' attitude toward placement of the child;

(d) A statement of the likely harms the child will suffer as a result of removal;

(e) A description of the steps that will be taken to minimize the harm to the child that may result if separation occurs including an assessment of the child's relationship and emotional bond with any siblings, and the agency's plan to provide ongoing contact between the child and the child's siblings if appropriate; and

(f) Behavior that will be expected before determination that supervision of the family or placement is no longer necessary.

(18) "Supervising agency" means an agency licensed by the state under RCW 74.15.090, or licensed by a federally recognized Indian tribe located in this state under RCW 74.15.190, that has entered into a performance-based contract with the department to provide case management for the delivery and documentation of child welfare services as defined in RCW 74.13.020.

(19) "Extended foster care services" means residential and other support services the department is authorized to provide under RCW 74.13.031.

Sec. 14. RCW 26.19.071 and 2010 1st sp.s. c 8 s 14 are each amended to read as follows:

(1) **Consideration of all income.** All income and resources of each parent's household shall be disclosed and considered by the court when the court determines the child support obligation of each parent. Only the income of the parents of the children whose support is at issue shall be calculated for purposes of calculating the basic support obligation. Income and resources of any other person shall not be included in calculating the basic support obligation.

(2) **Verification of income.** Tax returns for the preceding two years and current paystubs shall be provided to verify income and deductions. Other sufficient verification shall be required for income and deductions which do not appear on tax returns or paystubs.

(3) **Income sources included in gross monthly income.** Except as specifically excluded in subsection (4) of this section, monthly gross income shall include income from any source, including:

- (a) Salaries;
- (b) Wages;
- (c) Commissions;
- (d) Deferred compensation;
- (e) Overtime, except as excluded for income in subsection (4)((~~h~~)) (i) of this section;
- (f) Contract-related benefits;
- (g) Income from second jobs, except as excluded for income in subsection (4)((~~h~~)) (i) of this section;
- (h) Dividends;
- (i) Interest;
- (j) Trust income;
- (k) Severance pay;
- (l) Annuities;
- (m) Capital gains;
- (n) Pension retirement benefits;
- (o) Workers' compensation;
- (p) Unemployment benefits;
- (q) Maintenance actually received;
- (r) Bonuses;
- (s) Social security benefits;
- (t) Disability insurance benefits; and
- (u) Income from self-employment, rent, royalties, contracts, proprietorship of a business, or joint ownership of a partnership or closely held corporation.

(4) **Income sources excluded from gross monthly income.** The following income and resources shall be disclosed but shall not be included in gross income:

- (a) Income of a new spouse or new domestic partner or income of other adults in the household;
- (b) Child support received from other relationships;
- (c) Gifts and prizes;
- (d) Temporary assistance for needy families;
- (e) Supplemental security income;

(f) (~~(Disability-lifetime)~~) Aged, blind, or disabled assistance benefits;

(g) Pregnant women assistance benefits;

(h) Food stamps; and

((~~h~~)) (i) Overtime or income from second jobs beyond forty hours per week averaged over a twelve-month period worked to provide for a current family's needs, to retire past relationship debts, or to retire child support debt, when the court finds the income will cease when the party has paid off his or her debts.

Receipt of income and resources from temporary assistance for needy families, supplemental security income, (~~(disability-lifetime)~~) aged, blind, or disabled assistance benefits, and food stamps shall not be a reason to deviate from the standard calculation.

(5) **Determination of net income.** The following expenses shall be disclosed and deducted from gross monthly income to calculate net monthly income:

- (a) Federal and state income taxes;
- (b) Federal insurance contributions act deductions;
- (c) Mandatory pension plan payments;
- (d) Mandatory union or professional dues;
- (e) State industrial insurance premiums;
- (f) Court-ordered maintenance to the extent actually paid;

(g) Up to five thousand dollars per year in voluntary retirement contributions actually made if the contributions show a pattern of contributions during the one-year period preceding the action establishing the child support order unless there is a determination that the contributions were made for the purpose of reducing child support; and

(h) Normal business expenses and self-employment taxes for self-employed persons. Justification shall be required for any business expense deduction about which there is disagreement.

Items deducted from gross income under this subsection shall not be a reason to deviate from the standard calculation.

(6) **Imputation of income.** The court shall impute income to a parent when the parent is voluntarily unemployed or voluntarily underemployed. The court shall determine whether the parent is voluntarily underemployed or voluntarily unemployed based upon that parent's work history, education, health, and age, or any other relevant factors. A court shall not impute income to a parent who is gainfully employed on a full-time basis, unless the court finds that the parent is voluntarily underemployed and finds that the parent is purposely underemployed to reduce the parent's child support obligation. Income shall not be imputed for an unemployable parent. Income shall not be imputed to a parent to the extent the parent is unemployed or significantly underemployed due to the parent's efforts to comply with court-ordered reunification efforts under chapter 13.34 RCW or under a voluntary placement agreement with an agency supervising the child. In the absence of records of a parent's actual earnings, the court shall impute a parent's income in the following order of priority:

- (a) Full-time earnings at the current rate of pay;
- (b) Full-time earnings at the historical rate of pay based on reliable information, such as employment security department data;
- (c) Full-time earnings at a past rate of pay where information is incomplete or sporadic;
- (d) Full-time earnings at minimum wage in the jurisdiction where the parent resides if the parent has a recent history of minimum wage earnings, is recently coming off public assistance, (~~(disability-lifetime)~~) aged, blind, or disabled assistance benefits, pregnant women assistance benefits, essential needs and housing support, supplemental security income, or disability, has recently been released from incarceration, or is a high school student;

(e) Median net monthly income of year-round full-time workers as derived from the United States bureau of census, current population reports, or such replacement report as published by the bureau of census.

Sec. 15. RCW 31.04.540 and 2010 1st sp.s. c 8 s 15 are each amended to read as follows:

(1) To the extent that implementation of this section does not conflict with federal law resulting in the loss of federal funding, proprietary reverse mortgage loan advances made to a borrower must be treated as proceeds from a loan and not as income for the purpose of determining eligibility and benefits under means-tested programs of aid to individuals.

(2) Undisbursed reverse mortgage funds must be treated as equity in the borrower's home and not as proceeds from a loan, resources, or assets for the purpose of determining eligibility and benefits under means-tested programs of aid to individuals.

(3) This section applies to any law or program relating to payments, allowances, benefits, or services provided on a means-tested basis by this state including, but not limited to, optional state supplements to the federal supplemental security income program, low-income energy assistance, property tax relief, ~~((disability lifeline benefits))~~ aged, blind, or disabled assistance benefits, pregnant women assistance benefits, essential needs and housing support, and medical assistance only to the extent this section does not conflict with Title 19 of the federal social security act.

Sec. 16. RCW 70.123.110 and 2010 1st sp.s. c 8 s 16 are each amended to read as follows:

~~((Disability lifeline))~~ Aged, blind, or disabled assistance benefits, essential needs and housing support benefits, pregnant women assistance benefits, or temporary assistance for needy families payments shall be made to otherwise eligible individuals who are residing in a secure shelter, a housing network or other shelter facility which provides shelter services to persons who are victims of domestic violence. Provisions shall be made by the department for the confidentiality of the shelter addresses where victims are residing.

Sec. 17. RCW 73.08.005 and 2010 1st sp.s. c 8 s 17 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Direct costs" includes those allowable costs that can be readily assigned to the statutory objectives of this chapter, consistent with the cost principles promulgated by the federal office of management and budget in circular No. A-87, dated May 10, 2004.

(2) "Family" means the spouse or domestic partner, surviving spouse, surviving domestic partner, and dependent children of a living or deceased veteran.

(3) "Indigent" means a person who is defined as such by the county legislative authority using one or more of the following definitions:

(a) Receiving one of the following types of public assistance: Temporary assistance for needy families, ~~((disability lifeline))~~ aged, blind, or disabled assistance benefits, pregnant women assistance benefits, poverty-related veterans' benefits, food stamps or food stamp benefits transferred electronically, refugee resettlement benefits, medicaid, medical care services, or supplemental security income;

(b) Receiving an annual income, after taxes, of up to one hundred fifty percent or less of the current federally established poverty level, or receiving an annual income not exceeding a higher qualifying income established by the county legislative authority; or

(c) Unable to pay reasonable costs for shelter, food, utilities, and transportation because his or her available funds are insufficient.

(4) "Indirect costs" includes those allowable costs that are generally associated with carrying out the statutory objectives of this chapter, but the identification and tracking of those costs cannot be readily assigned to a specific statutory objective without an accounting effort that is disproportionate to the benefit received. A county legislative authority may allocate allowable indirect costs to its veterans' assistance fund if it is accomplished in a manner consistent with the cost principles promulgated by the federal office of management and budget in circular No. A-87, dated May 10, 2004.

(5) "Veteran" has the same meaning as defined in RCW 41.04.005 and 41.04.007, and includes a current member of the national guard or armed forces reserves who has been deployed to serve in an armed conflict.

(6) "Veterans' advisory board" means a board established by a county legislative authority under the authority of RCW 73.08.035.

(7) "Veterans' assistance fund" means an account in the custody of the county auditor, or the chief financial officer in a county operating under a charter, that is funded by taxes levied under the authority of RCW 73.08.080.

(8) "Veterans' assistance program" means a program approved by the county legislative authority under the authority of RCW 73.08.010 that is fully or partially funded by the veterans' assistance fund authorized by RCW 73.08.080.

Sec. 18. RCW 74.04.0052 and 2010 1st sp.s. c 8 s 18 are each amended to read as follows:

(1) The department shall determine, after consideration of all relevant factors and in consultation with the applicant, the most appropriate living situation for applicants under eighteen years of age, unmarried, and pregnant who are eligible for ~~((disability lifeline))~~ benefits under sections 3 and 4 of this act. An appropriate living situation shall include a place of residence that is maintained by the applicant's parents, parent, legal guardian, or other adult relative as their or his or her own home and that the department finds would provide an appropriate supportive living arrangement. It also includes a living situation maintained by an agency that is licensed under chapter 74.15 RCW that the department finds would provide an appropriate supportive living arrangement. Grant assistance shall not be provided under this chapter if the applicant does not reside in the most appropriate living situation, as determined by the department.

(2) A pregnant minor residing in the most appropriate living situation, as provided under subsection (1) of this section, is presumed to be unable to manage adequately the funds paid to the minor or on behalf of the dependent child or children and, unless the minor provides sufficient evidence to rebut the presumption, shall be subject to the protective payee requirements provided for under RCW 74.12.250 and 74.08.280.

(3) The department shall consider any statements or opinions by either parent of the unmarried minor parent or pregnant minor applicant as to an appropriate living situation for the minor, whether in the parental home or other situation. If the parents or a parent of the minor request, they or he or she shall be entitled to a hearing in juvenile court regarding designation of the parental home or other relative placement as the most appropriate living situation for the pregnant or parenting minor.

The department shall provide the parents or parent with the opportunity to make a showing that the parental home, or home of the other relative placement, is the most appropriate living situation. It shall be presumed in any administrative or judicial proceeding conducted under this subsection that the parental home or other relative placement requested by the parents or parent is the most appropriate living situation. This presumption is rebuttable.

(4) In cases in which the minor is unmarried and unemployed, the department shall, as part of the determination of the appropriate living situation, provide information about adoption including referral to community-based organizations providing counseling.

(5) For the purposes of this section, "most appropriate living situation" shall not include a living situation including an adult male who fathered the qualifying child and is found to meet the elements of rape of a child as set forth in RCW 9A.44.079.

Sec. 19. RCW 74.04.225 and 2010 1st sp.s. c 8 s 2 are each amended to read as follows:

(1) An online opportunity portal shall be established to provide the public with more effective access to available state, federal, and local services. The secretary of the department of social and health services shall act as the executive branch sponsor of the portal

planning process. Under the leadership of the secretary, the department shall:

(a) Identify and select an appropriate solution and acquisition approach to integrate technology systems to create a user-friendly electronic tool for Washington residents to apply for benefits;

(b) Facilitate the adaptation of state information technology systems to allow applications generated through the opportunity portal and other compatible electronic application systems to seamlessly link to appropriate state information systems;

(c) Ensure that the portal provides access to a broad array of state, federal, and local services, including but not limited to: Health care services, higher education financial aid, tax credits, civic engagement, nutrition assistance, energy assistance, family support, and ~~((disability lifeline benefits))~~ the programs under sections 3 and 4 of this act and as defined in RCW 10.101.010, 13.34.030, ~~((43.330.175,))~~ 70.96A.530, 74.04.005, 74.04.652, 74.04.655, 74.04.657, and ~~((74.04.810))~~ sections 1 through 3 and 7 of this act;

(d) Design an implementation strategy for the portal that maximizes collaboration with community-based organizations to facilitate its use by low-income individuals and families;

(e) Provide access to the portal at a wide array of locations including but not limited to: Community or technical colleges, community college campuses where community service offices are colocated, community-based organizations, libraries, churches, food banks, state agencies, early childhood education sites, and labor unions;

(f) Ensure project resources maximize available federal and private funds for development and initial operation of the opportunity portal. Any incidental costs to state agencies shall be derived from existing resources. This subsection does not obligate or preclude the appropriation of future state funding for the opportunity portal;

(g) Determine the solution and acquisition approach by June 1, 2010.

(2) By December 1, 2011, and annually thereafter, the department of social and health services shall report to the legislature and governor. The report shall include data and information on implementation and outcomes of the opportunity portal, including any increases in the use of public benefits and increases in federal funding.

(3) The department shall develop a plan for implementing paperless application processes for the services included in the opportunity portal for which the electronic exchange of application information is possible. The plan should include a goal of achieving, to the extent possible, the transition of these services to paperless application processes by July 1, 2012. The plan must comply with federal statutes and regulations and must allow applicants to submit applications by alternative means to ensure that access to benefits will not be restricted.

(4) To the extent that the department enters into a contractual relationship to accomplish the purposes of this section, such contract or contracts shall be performance-based.

Sec. 20. RCW 74.04.230 and 2010 1st sp.s. c 8 s 20 are each amended to read as follows:

Persons eligible for ~~((disability lifeline))~~ medical care services benefits are eligible for mental health services to the extent that they meet the client definitions and priorities established by chapter 71.24 RCW.

Sec. 21. RCW 74.04.266 and 2010 1st sp.s. c 8 s 21 are each amended to read as follows:

In determining need for ~~((disability lifeline benefits))~~ aged, blind, or disabled assistance, and medical care services, the department may by rule and regulation establish a monthly earned income exemption in an amount not to exceed the exemption allowable under disability programs authorized in Title XVI of the federal social security act.

Sec. 22. RCW 74.04.620 and 2010 1st sp.s. c 8 s 22 are each amended to read as follows:

(1) The department is authorized to establish a program of state supplementation to the national program of supplemental security income consistent with Public Law 92-603 and Public Law 93-66 to those persons who are in need thereof in accordance with eligibility requirements established by the department.

(2) The department is authorized to establish reasonable standards of assistance and resource and income exemptions specifically for such program of state supplementation which shall be consistent with the provisions of the Social Security Act.

(3) The department is authorized to make payments to applicants for supplemental security income, pursuant to agreements as provided in Public Law 93-368, who are otherwise eligible for ~~((disability lifeline benefits))~~ aged, blind, or disabled assistance.

(4) Any agreement between the department and a supplemental security income applicant providing for the reimbursement of interim assistance to the department shall provide, if the applicant has been represented by an attorney, that twenty-five percent of the reimbursement received shall be withheld by the department and all or such portion thereof as has been approved as a fee by the United States department of health and human services shall be released directly to the applicant's attorney. The secretary may maintain such records as are deemed appropriate to measure the cost and effectiveness of such agreements and may make recommendations concerning the continued use of such agreements to the legislature.

Sec. 23. RCW 74.04.652 and 2010 1st sp.s. c 8 s 7 are each amended to read as follows:

(1) To ensure that persons who are likely eligible for supplemental security income benefits are transitioned from ~~((disability lifeline benefits to disability lifeline expedited))~~ the medical care services program to the aged, blind, or disabled assistance program, and the medicaid program, and then to the supplemental security income program as quickly as practicable, the department shall implement the early supplemental security income transition project starting in King, Pierce, and Spokane counties no later than July 1, 2010, and extending statewide no later than October 1, 2011. The program shall be implemented through performance-based contracts with managed health care systems providing medical care services under RCW 74.09.035 or other qualified entities. The participants shall have the following responsibilities and duties under this program:

(a) The entities with whom the department contracts to provide the program shall be responsible for:

(i) Systematically screening persons receiving ~~((disability lifeline))~~ benefits under section 6 of this act at the point of eligibility determination or shortly thereafter to determine if the persons should be referred for medical or behavioral health evaluations to determine whether they are likely eligible for supplemental security income;

(ii) Immediately sharing the results of the disability screening with the department;

(iii) Managing ~~((disability lifeline))~~ medical care services and aged, blind, or disabled assistance incapacity evaluation examinations to provide timely access to needed medical and behavioral health evaluations and standardizing health care providers' conduct of incapacity evaluations. To maximize the timeliness and efficiency of incapacity evaluation examinations, the department must strongly consider contracting with a managed health care system with a network of health care providers that are trained and have agreed to conduct ~~((disability lifeline))~~ aged, blind, or disabled medical and psychological incapacity and recertification exams. The department may obtain medical evidence and other relevant information from sources other than the contracted entity if such evidence is available at the time of a person's application for ~~((disability lifeline))~~ aged, blind, or disabled benefits and is sufficient to support a determination that the person is incapacitated;

(iv) Maintaining a centralized appointment and clinical data system; and

(v) Assisting persons receiving ~~((disability lifeline benefits))~~ medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, with obtaining additional medical or behavioral health examinations needed to meet the disability standard for federal supplemental security income benefits and with submission of applications for supplemental security income benefits.

(b) The department shall be responsible for:

(i) Determining incapacity and eligibility for ~~((disability lifeline))~~ benefits under sections 3 and 4 of this act;

(ii) Making timely determinations that a person receiving ~~((disability lifeline benefits))~~ medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, is likely eligible for supplemental security income based on medical evidence and other relevant information provided by a contracted entity, and immediately referring such persons to a contracted entity for services;

(iii) Developing standardized procedures for sharing data and information with the contracted entities to ensure timely identification of clients who have not been transferred to the ~~((disability lifeline expedited))~~ aged, blind, or disabled assistance program within four months of their date of application, but who may, upon further review, be appropriately transferred to that program;

(iv) Providing case management, in partnership with the managed health care system or contracted entity, to support persons' transition to federal supplemental security income and medicaid benefits; and

(v) Identifying a savings determination methodology, in consultation with the contracted entities, the office of financial management, and the legislature, on or before implementation of the project.

(2) Early supplemental security income transition project contracts shall include the following performance goals:

(a) Persons receiving ~~((disability lifeline benefits))~~ medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, should be screened within thirty days of entering the program to determine the propriety of their transfer to the ~~((disability lifeline expedited))~~ aged, blind, or disabled assistance program; and

(b) Seventy-five percent of persons receiving ~~((disability lifeline benefits))~~ medical care services benefits, except recipients of alcohol and addiction treatment under chapter 74.50 RCW, that appear likely to qualify for supplemental security income benefits shall be transferred to the ~~((disability lifeline expedited))~~ aged, blind, or disabled assistance program within four months of their application for ~~((disability lifeline))~~ aged, blind, or disabled benefits.

(3) The initial focus of the efforts of the early supplemental security income transition project shall be on persons who have been receiving ~~((disability lifeline or general assistance unemployable benefits))~~ medical care services, except recipients of alcohol and addiction treatment under chapter 74.50 RCW or aged, blind, or disabled assistance, for twelve or more months ~~((as of September 1, 2010))~~.

(4) No later than December 1, 2011, the department shall report to the governor and appropriate policy and fiscal committees on whether the early supplemental security income transition project performance goals in subsection (2) of this section were met, including the reasons those goals were or were not met.

(5) Pursuant to RCW 41.06.142(3), performance-based contracting under this section is expressly mandated by the legislature and is not subject to the processes set forth in RCW 41.06.142 (1), (4), and (5).

The statewide expansion of the program under this section shall be considered expressly mandated by the legislature and not be subject to the provisions of RCW 41.06.142 (1), (4), and (5).

Sec. 24. RCW 74.04.655 and 2010 1st sp.s. c 8 s 5 are each amended to read as follows:

(1) The economic services administration shall work jointly with the division of vocational rehabilitation to develop an assessment tool that must be used to determine whether the programs offered by the division of vocational rehabilitation could assist persons receiving ~~((disability lifeline))~~ benefits under sections 3 and 4 of this act in returning to the workforce. The assessment tool shall be completed no later than December 1, 2010. The economic services administration shall begin using the tool no later than January 1, 2011. No later than December 30, 2011, the department shall report on the use of the tool and to what extent the programs offered by the division of vocational rehabilitation have been successful in returning persons receiving ~~((disability lifeline))~~ aged, blind, or disabled benefits to the workforce.

(2) After January 1, 2011, all persons receiving ~~((disability lifeline))~~ benefits under sections 3 and 5 of this act shall be assessed to determine whether they would likely benefit from a program offered by the division of vocational rehabilitation. If the assessment indicates that the person might benefit, the economic services administration shall make a referral to the division of vocational rehabilitation. If the person is found eligible for a program with the division of vocational rehabilitation, he or she must participate in that program to remain eligible for the monthly stipend and housing voucher or a cash grant. If the person refuses to participate or does not complete the program, the department shall terminate the cash stipend and housing voucher or cash grant but may not terminate medical coverage and food benefits.

Sec. 25. RCW 74.04.657 and 2010 1st sp.s. c 8 s 6 are each amended to read as follows:

During the application process for ~~((disability lifeline))~~ benefits under sections 3 and 4 of this act, the department shall inquire of each applicant whether he or she has ever served in the United States military service. If the applicant answers in the affirmative, the department shall confer with a veterans benefit specialist with the Washington state department of veterans affairs or a contracted veterans service officer in the community to determine whether the applicant is eligible for any benefits or programs offered to veterans by either the state or the federal government.

Sec. 26. RCW 74.04.770 and 2010 1st sp.s. c 8 s 23 are each amended to read as follows:

The department shall establish consolidated standards of need each fiscal year which may vary by geographical areas, program, and family size, for temporary assistance for needy families, refugee assistance, supplemental security income, and ~~((disability lifeline))~~ benefits under section 3 of this act. Standards for temporary assistance for needy families, refugee assistance, and ~~((disability lifeline))~~ benefits under section 3 of this act shall be based on studies of actual living costs and generally recognized inflation indices and shall include reasonable allowances for shelter, fuel, food, transportation, clothing, household maintenance and operations, personal maintenance, and necessary incidentals. The standard of need may take into account the economies of joint living arrangements, but unless explicitly required by federal statute, there shall not be proration of any portion of assistance grants unless the amount of the grant standard is equal to the standard of need.

The department is authorized to establish rateable reductions and grant maximums consistent with federal law.

Payment level will be equal to need or a lesser amount if rateable reductions or grant maximums are imposed. In no case shall a recipient of supplemental security income receive a state supplement less than the minimum required by federal law.

The department may establish a separate standard for shelter provided at no cost.

Sec. 27. RCW 74.08.043 and 2010 1st sp.s. c 8 s 24 are each amended to read as follows:

In determining the living requirements of otherwise eligible applicants and recipients of supplemental security income and

((disability lifeline)) benefits under sections 3 and 4 of this act, the department is authorized to consider the need for personal and special care and supervision due to physical and mental conditions.

Sec. 28. RCW 74.08.278 and 2010 1st sp.s. c 8 s 25 are each amended to read as follows:

In order to comply with federal statutes and regulations pertaining to federal matching funds and to provide for the prompt payment of initial grants and adjusting payments of grants the secretary is authorized to make provisions for the cash payment of assistance by the secretary or county administrators by the establishment of a central operating fund. The secretary may establish such a fund with the approval of the state auditor from moneys appropriated to the department for the payment of ((disability lifeline)) benefits under section 3 of this act in a sum not to exceed one million dollars. Such funds shall be deposited as agreed upon by the secretary and the state auditor in accordance with the laws regulating the deposits of public funds. Such security shall be required of the depository in connection with the fund as the state treasurer may prescribe. Moneys remaining in the fund shall be returned to the general fund at the end of the biennium, or an accounting of proper expenditures from the fund shall be made to the state auditor. All expenditures from such central operating fund shall be reimbursed out of and charged to the proper program appropriated by the use of such forms and vouchers as are approved by the secretary of the department and the state auditor. Expenditures from such fund shall be audited by the director of financial management and the state auditor from time to time and a report shall be made by the state auditor and the secretary as are required by law.

Sec. 29. RCW 74.08.335 and 2010 1st sp.s. c 8 s 26 are each amended to read as follows:

Temporary assistance for needy families and ((disability lifeline)) benefits under sections 3 and 4 of this act shall not be granted to any person who has made an assignment or transfer of property for the purpose of rendering himself or herself eligible for the assistance. There is a rebuttable presumption that a person who has transferred or transfers any real or personal property or any interest in property within two years of the date of application for the assistance without receiving adequate monetary consideration therefor, did so for the purpose of rendering himself or herself eligible for the assistance. Any person who transfers property for the purpose of rendering himself or herself eligible for assistance, or any person who after becoming a recipient transfers any property or any interest in property without the consent of the secretary, shall be ineligible for assistance for a period of time during which the reasonable value of the property so transferred would have been adequate to meet the person's needs under normal conditions of living: PROVIDED, That the secretary is hereby authorized to allow exceptions in cases where undue hardship would result from a denial of assistance.

Sec. 30. RCW 74.08A.210 and 2010 1st sp.s. c 8 s 27 are each amended to read as follows:

(1) In order to prevent some families from developing dependency on temporary assistance for needy families, the department shall make available to qualifying applicants a diversion program designed to provide brief, emergency assistance for families in crisis whose income and assets would otherwise qualify them for temporary assistance for needy families.

(2) Diversion assistance may include cash or vouchers in payment for the following needs:

- (a) Child care;
- (b) Housing assistance;
- (c) Transportation-related expenses;
- (d) Food;
- (e) Medical costs for the recipient's immediate family;
- (f) Employment-related expenses which are necessary to keep or obtain paid unsubsidized employment.

(3) Diversion assistance is available once in each twelve-month period for each adult applicant. Recipients of diversion assistance are not included in the temporary assistance for needy families program.

(4) Diversion assistance may not exceed one thousand five hundred dollars for each instance.

(5) To be eligible for diversion assistance, a family must otherwise be eligible for temporary assistance for needy families.

(6) Families ineligible for temporary assistance for needy families or ((disability lifeline)) benefits under section 3 of this act due to sanction, noncompliance, the lump sum income rule, or any other reason are not eligible for diversion assistance.

(7) Families must provide evidence showing that a bona fide need exists according to subsection (2) of this section in order to be eligible for diversion assistance.

An adult applicant may receive diversion assistance of any type no more than once per twelve-month period. If the recipient of diversion assistance is placed on the temporary assistance for needy families program within twelve months of receiving diversion assistance, the prorated dollar value of the assistance shall be treated as a loan from the state, and recovered by deduction from the recipient's cash grant.

Sec. 31. RCW 74.08A.440 and 2010 1st sp.s. c 8 s 32 are each amended to read as follows:

Recipients exempted from active work search activities due to incapacity or a disability shall receive ((disability lifeline)) services for which they are eligible, including aged, blind, or disabled assistance benefits as they relate to the facilitation of enrollment in the federal supplemental security income program, referrals to essential needs and housing support benefits, access to chemical dependency treatment, referrals to vocational rehabilitation, and other services needed to assist the recipient in becoming employable. ((Disability lifeline)) Aged, blind, or disabled assistance and essential needs and housing support benefits shall not supplant cash assistance and other services provided through the temporary assistance for needy families program. To the greatest extent possible, services shall be funded through the temporary assistance for needy families appropriations.

Sec. 32. RCW 74.09.555 and 2010 1st sp.s. c 8 s 30 are each amended to read as follows:

(1) The department shall adopt rules and policies providing that when persons with a mental disorder, who were enrolled in medical assistance immediately prior to confinement, are released from confinement, their medical assistance coverage will be fully reinstated on the day of their release, subject to any expedited review of their continued eligibility for medical assistance coverage that is required under federal or state law.

(2) The department, in collaboration with the Washington association of sheriffs and police chiefs, the department of corrections, and the regional support networks, shall establish procedures for coordination between department field offices, institutions for mental disease, and correctional institutions, as defined in RCW 9.94.049, that result in prompt reinstatement of eligibility and speedy eligibility determinations for persons who are likely to be eligible for medical assistance services upon release from confinement. Procedures developed under this subsection must address:

(a) Mechanisms for receiving medical assistance services applications on behalf of confined persons in anticipation of their release from confinement;

(b) Expedited review of applications filed by or on behalf of confined persons and, to the extent practicable, completion of the review before the person is released;

(c) Mechanisms for providing medical assistance services identity cards to persons eligible for medical assistance services immediately upon their release from confinement; and

(d) Coordination with the federal social security administration, through interagency agreements or otherwise, to expedite processing

of applications for federal supplemental security income or social security disability benefits, including federal acceptance of applications on behalf of confined persons.

(3) Where medical or psychiatric examinations during a person's confinement indicate that the person is disabled, the correctional institution or institution for mental diseases shall provide the department with that information for purposes of making medical assistance eligibility and enrollment determinations prior to the person's release from confinement. The department shall, to the maximum extent permitted by federal law, use the examination in making its determination whether the person is disabled and eligible for medical assistance.

(4) For purposes of this section, "confined" or "confinement" means incarcerated in a correctional institution, as defined in RCW 9.94.049, or admitted to an institute for mental disease, as defined in 42 C.F.R. part 435, Sec. 1009 on July 24, 2005.

(5) For purposes of this section, "likely to be eligible" means that a person:

(a) Was enrolled in medicaid or supplemental security income or the ~~((disability lifeline))~~ medical care services program immediately before he or she was confined and his or her enrollment was terminated during his or her confinement; or

(b) Was enrolled in medicaid or supplemental security income or the ~~((disability lifeline))~~ medical care services program at any time during the five years before his or her confinement, and medical or psychiatric examinations during the person's confinement indicate that the person continues to be disabled and the disability is likely to last at least twelve months following release.

(6) The economic services administration shall adopt standardized statewide screening and application practices and forms designed to facilitate the application of a confined person who is likely to be eligible for medicaid.

Sec. 33. RCW 74.50.060 and 2010 1st sp.s. c 8 s 31 are each amended to read as follows:

~~((4))~~ The department shall establish a shelter assistance program to provide, within available funds, shelter for persons eligible under this chapter. "Shelter," "shelter support," or "shelter assistance" means a facility under contract to the department providing room and board in a supervised living arrangement, normally in a group or dormitory setting, to eligible recipients under this chapter. This may include supervised domiciliary facilities operated under the auspices of public or private agencies. No facility under contract to the department shall allow the consumption of alcoholic beverages on the premises. The department may contract with counties and cities for such shelter services. To the extent possible, the department shall not displace existing emergency shelter beds for use as shelter under this chapter. In areas of the state in which it is not feasible to develop shelters, due to low numbers of people needing shelter services, or in which sufficient numbers of shelter beds are not available, the department may provide shelter through an intensive protective payee program, unless the department grants an exception on an individual basis for less intense supervision.

~~((2))~~ Persons continuously eligible for the disability lifeline program since July 25, 1987, who transfer to the program established by this chapter, have the option to continue their present living situation, but only through a protective payee.)

NEW SECTION. Sec. 34. The following acts or parts of acts are each repealed:

(1) RCW 43.330.175 (Disability lifeline housing voucher program) and 2010 1st sp.s. c 8 s 8;

(2) RCW 74.04.120 (Basis of state's allocation of federal aid funds--County budget) and 2010 1st sp.s. c 8 s 19, 1979 c 141 s 301, & 1959 c 26 s 74.04.120; and

(3) RCW 74.04.810 (Study of disability lifeline program terminations--Report) and 2010 1st sp.s. c 8 s 11.

NEW SECTION. Sec. 35. The code reviser shall alphabetize the subsections containing definitions in RCW 74.04.005.

NEW SECTION. Sec. 36. Sections 1 through 3 and 7 of this act constitute a new chapter in Title 74 RCW.

NEW SECTION. Sec. 37. Section 11 of this act expires June 30, 2013.

NEW SECTION. Sec. 38. Except for sections 6 and 8 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. Sec. 39. Section 6 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 22, 2011.

NEW SECTION. Sec. 40. Section 8 of this act takes effect November 1, 2011."

On page 1, line 6 of the title, after "funding;" strike the remainder of the title and insert "amending RCW 74.09.035, 74.04.005, 74.09.510, 74.50.055, 70.96A.530, 10.101.010, 26.19.071, 31.04.540, 70.123.110, 73.08.005, 74.04.0052, 74.04.225, 74.04.230, 74.04.266, 74.04.620, 74.04.652, 74.04.655, 74.04.657, 74.04.770, 74.08.043, 74.08.278, 74.08.335, 74.08A.210, 74.08A.440, 74.09.555, and 74.50.060; reenacting and amending RCW 13.34.030; adding new sections to chapter 43.185C RCW; adding a new chapter to Title 74 RCW; creating a new section; repealing RCW 43.330.175, 74.04.120, and 74.04.810; providing effective dates; providing an expiration date; and declaring an emergency."

and the same is herewith transmitted.

Thomas Hoeman , Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2082 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Darneille spoke in favor of the passage of the bill.

Representative Alexander spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2082, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2082, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 56; Nays, 40; Absent, 0; Excused, 2.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Probst, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Johnson, Kirby, Klippert, Kretz, Kristiansen, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Warnick, Wilcox and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2082, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on Engrossed Substitute House Bill No. 2082.

Representative Kirby, 29th District

MESSAGE FROM THE SENATE

May 25, 2011

Mr. Speaker:

The Senate refuses to concur in the House amendment to SUBSTITUTE SENATE BILL NO. 5846 and asks the House to recede therefrom, and the same is herewith transmitted.

Thomas Hoemann, Secretary

HOUSE AMENDMENT TO SENATE BILL

There being no objection, the House insisted on its position in its amendment to SUBSTITUTE SENATE BILL NO. 5846 and asked the Senate to concur therein.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5860, by Senate Committee on Ways & Means (originally sponsored by Senator Murray)

Addressing state government employee compensation. Revised for 1st Substitute: Addressing temporary compensation reductions for state government employees during the 2011-2013 fiscal biennium.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunter and Alexander spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5860.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5860, and the bill passed the House by the following vote: Yeas, 72; Nays, 24; Absent, 0; Excused, 2.

Voting yea: Representatives Alexander, Anderson, Appleton, Bailey, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Harris, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Klippert, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ryu, Santos, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Wilcox, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Angel, Armstrong, Asay, Buys, Chandler, Condotta, Dahlquist, Dammeier, DeBolt, Haler, Hargrove, Hinkle, Hope, Johnson, Kretz, Kristiansen, Overstreet, Ross, Shea, Short, Taylor, Warnick and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5860, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on Engrossed Substitute Senate Bill No. 5860.

Representative Dammeier, 25th District

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1548
 ENGROSSED HOUSE BILL NO. 2003
 HOUSE BILL NO. 1131
 SECOND SUBSTITUTE HOUSE BILL NO. 1132
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1981
 SUBSTITUTE HOUSE BILL NO. 2119
 SUBSTITUTE SENATE BILL NO. 5181
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5891
 SECOND ENGROSSED SUBSTITUTE SENATE BILL NO. 5742
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5749
 SECOND ENGROSSED SENATE BILL NO. 5764

MESSAGE FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE SENATE BILL 5919 and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House reverted to the fourth order of business.

SUPPLEMENTAL INTRODUCTIONS AND FIRST READING

ESSB 5919 by Senate Committee on Ways & Means (originally sponsored by Senators Murray and Zarelli)

AN ACT Relating to education funding; amending RCW 28A.150.220, 28A.150.260, 28A.160.192, 28A.300.380,

28A.630.016, and 28A.655.061; repealing 2010 c 236 s 1 (uncodified); providing an effective date; providing an expiration date; and declaring an emergency.

May 25, 2011

MR. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL 5459
ENGROSSED SUBSTITUTE SENATE BILL 5942
and the same are herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

ENGROSSED SUBSTITUTE SENATE BILL 5931
and the same is herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House advanced to the seventh order of business.

THIRD READING

MESSAGE FROM THE SENATE

May 25, 2011

Mr. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 2065 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) Under Article IX of the Washington state Constitution, all children are entitled to an opportunity to receive a basic education. Although the state must assure that students in public schools have opportunities to participate in the instructional program of basic education, there is no obligation for either the state or school districts to provide that instruction using a particular delivery method or through a particular program.

(2) The legislature finds ample evidence of the need to examine and reconsider policies under which alternative learning that occurs outside the classroom using an individual student learning plan may be considered equivalent to full-time attendance in school, including for funding purposes. Previous legislative studies have raised questions about financial practices and accountability in alternative learning experience programs. Since 2005, there has been significant enrollment growth in alternative learning experience online programs, with evidence of unexpected financial impact when large numbers of nonresident students enroll in programs. Based on this evidence, there is a rational basis on which to conclude that there are different costs associated with providing a program not primarily based on full-time, daily contact between teachers and students and not primarily occurring on-site in a classroom.

(3) For these reasons, the legislature intends to allow for continuing review and revision of the way in which state funding allocations are used to support alternative learning experience programs.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.150 RCW to read as follows:

(1) For purposes of this chapter, "alternative learning experience program" means a course or set of courses that is:

(a) Provided in whole or in part independently from a regular classroom setting or schedule, but may include some components of direct instruction;

There being no objection, ENGROSSED SUBSTITUTE SENATE BILL NO. 5919 was read the first time, and under suspension of the rules was placed on the second reading calendar.

The Speaker called upon Representative Moeller to preside.

SECOND SUPPLEMENTAL INTRODUCTIONS AND FIRST READING

ESSB 5091 by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Keiser and Shin)

AN ACT Relating to delaying the implementation of the family leave insurance program; and amending RCW 49.86.030 and 49.86.210.

There being no objection, ENGROSSED SUBSTITUTE SENATE BILL NO. 5091 was read the first time, and under suspension of the rules was placed on the second reading calendar.

MESSAGES FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL 1346 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed SENATE JOINT MEMORIAL 8011 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

SECOND SUBSTITUTE SENATE BILL 5459
ENGROSSED SUBSTITUTE SENATE BILL 5942

and the same are herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED HOUSE BILL 2069 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE SENATE BILL 5091 and the same is herewith transmitted.

Thomas Hoemann, Secretary

(b) Supervised, monitored, assessed, evaluated, and documented by a certificated teacher employed by the school district or under contract as permitted by applicable rules; and

(c) Provided in accordance with a written student learning plan that is implemented pursuant to the school district's policy and rules adopted by the superintendent of public instruction for alternative learning experiences.

(2) The broad categories of alternative learning experience programs include, but are not limited to:

(a) Online programs as defined in RCW 28A.150.262;

(b) Parent partnership programs that include significant participation and partnership by parents and families in the design and implementation of a student's learning experience; and

(c) Contract-based learning programs.

(3) School districts that offer alternative learning experience programs may not provide any compensation, reimbursement, gift, reward, or gratuity to any parents, guardians, or students for participation. School district employees are prohibited from receiving any compensation or payment as an incentive to increase student enrollment of out-of-district students in an alternative learning experience program. This prohibition includes, but is not limited to, providing funds to parents, guardians, or students for the purchase of educational materials, supplies, experiences, services, or technological equipment. A district may purchase educational materials, equipment, or other nonconsumable supplies for students' use in alternative learning experience programs if the purchase is consistent with the district's approved curriculum, conforms to applicable laws and rules, and is made in the same manner as such purchases are made for students in the district's regular instructional program. Items so purchased remain the property of the school district upon program completion. School districts may not purchase or contract for instructional or co-curricular experiences and services that are included in an alternative learning experience written student learning plan, including but not limited to lessons, trips, and other activities, unless substantially similar experiences and services are available to students enrolled in the district's regular instructional program. School districts that purchase or contract for such experiences and services for students enrolled in an alternative learning experience program must submit an annual report to the office of the superintendent of public instruction detailing the costs and purposes of the expenditures. These requirements extend to contracted providers of alternative learning experience programs, and each district shall be responsible for monitoring the compliance of its providers with these requirements. However, nothing in this section shall prohibit school districts from contracting with online providers approved by the office of the superintendent of public instruction pursuant to chapter 28A.250 RCW.

(4) Part-time enrollment in alternative learning experiences is subject to the provisions of RCW 28A.150.350.

(5) The superintendent of public instruction shall adopt rules defining minimum requirements and accountability for alternative learning experience programs.

Sec. 3. RCW 28A.150.262 and 2009 c 542 s 9 are each amended to read as follows:

Under RCW 28A.150.260, the superintendent of public instruction shall revise the definition of a full-time equivalent student to include students who receive instruction through alternative learning experience online programs. As used in this section and section 2 of this act, an "alternative learning experience online program" is a set of online courses or an online school program as defined in RCW 28A.250.010 that is delivered to students in whole or in part independently from a regular classroom schedule. ~~((The superintendent of public instruction has the authority to adopt rules to implement the revised definition beginning with the 2005-2007 biennium for school districts claiming state funding for the programs.))~~ Beginning in the 2013-14 school year, alternative

learning experience online programs must be offered by an online provider approved by the superintendent of public instruction under RCW 28A.250.020 to meet the definition in this section. The rules shall include but not be limited to the following:

(1) Defining a full-time equivalent student under RCW 28A.150.260 or part-time student under RCW 28A.150.350 based upon the district's estimated average weekly hours of learning activity as identified in the student's learning plan, as long as the student is found, through monthly evaluation, to be making satisfactory progress; the rules shall require districts providing programs under this section to nonresident students to establish procedures that address, at a minimum, the coordination of student counting for state funding so that no student is counted for more than one full-time equivalent in the aggregate;

(2) Requiring the board of directors of a school district offering, or contracting under RCW 28A.150.305 to offer, an alternative learning experience online program to adopt and annually review written policies for each program and program provider and to receive an annual report on its digital alternative learning experience online programs from its staff;

(3) Requiring each school district offering or contracting to offer an alternative learning experience online program to report annually to the superintendent of public instruction on the types of programs and course offerings, and number of students participating;

(4) Requiring completion of a program self-evaluation;

(5) Requiring documentation of the district of the student's physical residence;

(6) Requiring that supervision, monitoring, assessment, and evaluation of the alternative learning experience online program be provided by a certificated ~~((instructional staff))~~ teacher;

(7) Requiring each school district offering courses or programs to identify the ratio of certificated instructional staff to full-time equivalent students enrolled in such courses or programs, and to include a description of their ratio as part of the reports required under subsections (2) and (3) of this section;

(8) Requiring reliable methods to verify a student is doing his or her own work; the methods may include proctored examinations or projects, including the use of web cams or other technologies. "Proctored" means directly monitored by an adult authorized by the school district;

(9) Requiring, for each student receiving instruction in an alternative learning experience online program, a learning plan that includes a description of course objectives and information on the requirements a student must meet to successfully complete the program or courses. The rules shall allow course syllabi and other additional information to be used to meet the requirement for a learning plan;

(10) Requiring that the district assess the educational progress of enrolled students at least annually, using, for full-time students, the state assessment for the student's grade level and using any other annual assessments required by the school district. Part-time students shall also be assessed at least annually. However, part-time students who are either receiving home-based instruction under chapter 28A.200 RCW or who are enrolled in an approved private school under chapter 28A.195 RCW are not required to participate in the assessments required under chapter 28A.655 RCW. The rules shall address how students who reside outside the geographic service area of the school district are to be assessed;

(11) Requiring that each student enrolled in the program have direct personal contact with a certificated ~~((instructional staff))~~ teacher at least weekly until the student completes the course objectives or the requirements in the learning plan. Direct personal contact is for the purposes of instruction, review of assignments, testing, evaluation of student progress, or other learning activities. Direct personal contact may include the use of telephone, e-mail,

instant messaging, interactive video communication, or other means of digital communication;

(12) Requiring state-funded public schools or public school programs whose primary purpose is to provide alternative learning experience online learning programs to receive accreditation through the Northwest (~~(association of accredited schools)~~) accreditation commission or another national, regional, or state accreditation program listed by the office of the superintendent of public instruction after consultation with the Washington coalition for online learning;

(13) Requiring state-funded public schools or public school programs whose primary purpose is to provide alternative learning experience online learning to provide information to students and parents on whether or not the courses or programs: Cover one or more of the school district's learning goals or of the state's essential academic learning requirements or whether they permit the student to meet one or more of the state's or district's graduation requirements; and

(14) Requiring that a school district that provides one or more alternative learning experience online courses to a student provide the parent or guardian of the student, prior to the student's enrollment, with a description of any difference between home-based education as described in chapter 28A.200 RCW and the enrollment option selected by the student. The parent or guardian shall sign documentation attesting to his or her understanding of the difference and the documentation shall be retained by the district and made available for audit.

Sec. 4. RCW 28A.250.005 and 2009 c 542 s 1 are each amended to read as follows:

(1) The legislature finds that online learning provides tremendous opportunities for students to access curriculum, courses, and a unique learning environment that might not otherwise be available. The legislature supports and encourages online learning opportunities.

(2) However, the legislature also finds that there is a need to assure quality in online learning, both for the programs and the administration of those programs. The legislature is the steward of public funds that support students enrolled in online learning and must ensure an appropriate accountability system at the state level.

(3) Therefore, the legislature intends to take a first step in improving oversight and quality assurance of online learning programs, and intends to examine possible additional steps that may need to be taken to improve financial accountability.

(4) The first step in improving quality assurance is to:

(a) Provide objective information to students, parents, and educators regarding available online learning opportunities, including program and course content, how to register for programs and courses, teacher qualifications, student-to-teacher ratios, prior course completion rates, and other evaluative information;

(b) Create an approval process for (~~(multidistrict)~~) online providers;

(c) Enhance statewide equity of student access to high quality online learning opportunities; and

(d) Require school district boards of directors to develop policies and procedures for student access to online learning opportunities.

Sec. 5. RCW 28A.250.010 and 2009 c 542 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1)(a) "Multidistrict online provider" means:

(i) A private or nonprofit organization that enters into a contract with a school district to provide online courses or programs to K-12 students from more than one school district;

(ii) A private or nonprofit organization that enters into contracts with multiple school districts to provide online courses or programs to K-12 students from those districts; or

(iii) Except as provided in (b) of this subsection, a school district that provides online courses or programs to students who reside outside the geographic boundaries of the school district.

(b) "Multidistrict online provider" does not include a school district online learning program in which fewer than ten percent of the students enrolled in the program are from other districts under the interdistrict student transfer provisions of RCW 28A.225.225. "Multidistrict online provider" also does not include regional online learning programs that are jointly developed and implemented by two or more school districts or an educational service district through an interdistrict cooperative program agreement that addresses, at minimum, how the districts share student full-time equivalency for state basic education funding purposes and how categorical education programs, including special education, are provided to eligible students.

(2)(a) "Online course" means a course (~~(that)~~ where:

(i) More than half of the course content is delivered (primarily) electronically using the internet or other computer-based methods; and

(ii) ((Is taught by a teacher primarily from a remote location. Students enrolled in an online course may have access to the teacher synchronously, asynchronously, or both)) More than half of the teaching is conducted from a remote location through an online course learning management system or other online or electronic tools.

(b) "Online school program" means a school program that:

(i) Offers courses or grade-level coursework that is delivered primarily electronically using the internet or other computer-based methods;

(ii) Offers courses or grade-level coursework that is taught by a teacher primarily from a remote location using online or other electronic tools. Students enrolled in an online program may have access to the teacher synchronously, asynchronously, or both;

(iii) ((Delivers a part-time or full-time sequential program)) Offers a sequential set of online courses or grade-level coursework that may be taken in a single school term or throughout the school year in a manner that could provide a full-time basic education program if so desired by the student. Students may enroll in the program as part-time or full-time students; and

(iv) Has an online component of the program with online lessons and tools for student and data management.

(c) An online course or online school program may be delivered to students at school as part of the regularly scheduled school day. An online course or online school program also may be delivered to students, in whole or in part, independently from a regular classroom schedule, but such courses or programs must comply with RCW 28A.150.262 to qualify for state basic education funding.

(3) "Online provider" means any provider of an online course or program, including multidistrict online providers, all school district online learning programs, and all regional online learning programs.

Sec. 6. RCW 28A.250.020 and 2009 c 542 s 3 are each amended to read as follows:

(1) The superintendent of public instruction, in collaboration with the state board of education, shall develop and implement approval criteria and a process for approving (~~(multidistrict)~~) online providers; a process for monitoring and if necessary rescinding the approval of courses or programs offered by an online (~~(course)~~) provider; and an appeals process. The criteria and processes for multidistrict online providers shall be adopted by rule by December 1, 2009.

(2) When developing the approval criteria, the superintendent of public instruction shall require that providers offering online courses or programs have accreditation through the Northwest (~~(association of accredited schools)~~) accreditation commission or another national, regional, or state accreditation program listed by the office of the superintendent of public instruction after consultation with the Washington coalition for online learning. In addition to other criteria,

the approval criteria shall include the degree of alignment with state academic standards and require that all teachers be certificated in accordance with Washington state law. When reviewing ((multidistrict)) online providers that offer high school courses, the superintendent of public instruction shall assure that the courses offered by the provider are eligible for high school credit. However, final decisions regarding ((the awarding of high school credit) whether credit meets the school district's graduation requirements shall remain the responsibility of the school districts.

(3) Initial approval of ((multidistrict)) online providers by the superintendent of public instruction shall be for four years. The superintendent of public instruction shall develop a process for the renewal of approvals and for rescinding approvals based on noncompliance with approval requirements. Any multidistrict online provider that was approved by the digital learning commons or accredited by the Northwest association of accredited schools before July 26, 2009, and that meets the teacher certification requirements of subsection (2) of this section, is exempt from the initial approval process under this section until August 31, 2012, but must comply with the process for renewal of approvals and must comply with approval requirements.

(4) The superintendent of public instruction shall make the first round of decisions regarding approval of multidistrict online providers by April 1, 2010. The first round of decisions regarding approval of online providers that are not multidistrict online providers shall be made by April 1, 2013. Thereafter, the superintendent of public instruction shall make annual approval decisions no later than November 1st of each year.

(5) The superintendent of public instruction shall establish an online learning advisory committee within existing resources that shall provide advice to the superintendent regarding the approval criteria, major components of the web site, the model school district policy, model agreements, and other related matters. The committee shall include a representative of each of the following groups: Private and public online providers, parents of online students, accreditation organizations, educational service districts, school principals, teachers, school administrators, school board members, institutions of higher education, and other individuals as determined by the superintendent. Members of the advisory committee shall be selected by the superintendent based on nominations from statewide organizations, shall serve three-year terms, and may be reappointed. The superintendent shall select the chair of the committee.

Sec. 7. RCW 28A.250.030 and 2009 c 542 s 4 are each amended to read as follows:

The superintendent of public instruction shall create an office of online learning. In the initial establishment of the office, the superintendent shall hire staff who have been employed by the digital learning commons to the extent such hiring is in accordance with state law and to the extent funds are available. The office shall:

(1) Develop and maintain a web site that provides objective information for students, parents, and educators regarding online learning opportunities offered by ((multidistrict)) online providers that have been approved in accordance with RCW 28A.250.020. The web site shall include information regarding the online course provider's overall instructional program, specific information regarding the content of individual online courses and online school programs, a direct link to each online course provider's web site, how to register for online learning programs and courses, teacher qualifications, student-to-teacher ratios, course completion rates, and other evaluative and comparative information. The web site shall also provide information regarding the process and criteria for approving ((multidistrict)) online providers. To the greatest extent possible, the superintendent shall use the framework of the course offering component of the web site developed by the digital learning commons;

(2) Develop model agreements with approved ((multidistrict)) online providers that address standard contract terms and conditions that may apply to contracts between a school district and the approved provider. The purpose of the agreements is to provide a template to assist individual school districts, at the discretion of the district, in contracting with ((multidistrict)) online providers to offer the ((multidistrict)) online provider's courses and programs to students in the district. The agreements may address billing, fees, responsibilities of online course providers and school districts, and other issues; and

(3) In collaboration with the educational service districts:

(a) Provide technical assistance and support to school district personnel through the educational technology centers in the development and implementation of online learning programs in their districts; and

(b) To the extent funds are available, provide online learning tools for students, teachers, administrators, and other educators.

Sec. 8. RCW 28A.250.060 and 2009 c 542 s 7 are each amended to read as follows:

(1) Beginning with the 2011-12 school year, school districts may claim state ((basic education)) funding under RCW 28A.150.260, to the extent otherwise allowed by state law, for students enrolled in online courses or programs only if the online courses or programs are:

(a) Offered by a multidistrict online provider approved under RCW 28A.250.020 by the superintendent of public instruction;

(b) Offered by a school district online learning program if the program serves students who reside within the geographic boundaries of the school district, including school district programs in which fewer than ten percent of the program's students reside outside the school district's geographic boundaries; or

(c) Offered by a regional online learning program where courses are jointly developed and offered by two or more school districts or an educational service district through an interdistrict cooperative program agreement.

(2) Beginning with the 2013-14 school year, school districts may claim state funding under RCW 28A.150.260, to the extent otherwise allowed by state law, for students enrolled in online courses or programs only if the online courses or programs are offered by an online provider approved under RCW 28A.250.020 by the superintendent of public instruction.

(3) Criteria shall be established by the superintendent of public instruction to allow online courses that have not been approved by the superintendent of public instruction to be eligible for state funding if the course is in a subject matter in which no courses have been approved and, if it is a high school course, the course meets Washington high school graduation requirements.

Sec. 9. RCW 28A.150.260 and 2010 c 236 s 2 are each amended to read as follows:

The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula for the distribution of a basic education instructional allocation for each common school district.

(2) The distribution formula under this section shall be for allocation purposes only. Except as may be required under chapter 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(3)(a) To the extent the technical details of the formula have been adopted by the legislature and except when specifically provided as a school district allocation, the distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school to the extent that data is available. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) The total aggregate statewide allocations calculated under subsections (4) through (12) of this section for full-time equivalent student enrollment in alternative learning experience programs as defined in section 2 of this act shall be reduced by fifteen percent for the 2011-12 and 2012-13 school years. The superintendent of public instruction shall determine how to implement this aggregate fifteen percent reduction among the different alternative learning experience programs. No program may receive less than a ten percent reduction and no program may receive greater than a twenty percent reduction. In determining how to implement the reductions among the alternative learning experience programs, the superintendent of public instruction must look to both how a program is currently operating as well as how it has operated in the past, to the extent that data is available, and must give consideration to the following criteria:

- (i) The category of program;
- (ii) The certificated instructional staffing ratio maintained by the program;
- (iii) The amount and type of direct personal student-to-teacher contact used by the program on a weekly basis;
- (iv) Whether the program uses any classroom-based instructional time to meet requirements in the written student learning plan for enrolled students; and
- (v) For online programs, whether the program is approved by the superintendent of public instruction under RCW 28A.250.020.

(c) The superintendent of public instruction shall report to the legislature by December 31, 2011, regarding how the reductions in (b) of this subsection were implemented.

(d) For the purposes of this section, prototypical schools are defined as follows:

- (i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;
- (ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and
- (iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(4)(a) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on the following general education average class size of full-time equivalent students per teacher:

General education average class size	
Grades K-3	25.23
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(b) During the 2011-2013 biennium and beginning with schools with the highest percentage of students eligible for free and reduced-price meals in the prior school year, the general education average class size for grades K-3 shall be reduced until the average class size funded under this subsection (4) is no more than 17.0 full-time equivalent students per teacher beginning in the 2017-18 school year.

(c) The minimum allocation for each prototypical middle and high school shall also provide for full-time equivalent classroom teachers based on the following number of full-time equivalent students per teacher in career and technical education:

Career and technical education average class size	
Approved career and technical education offered at the middle school and high school level	26.57
Skill center programs meeting the standards established by the office of the superintendent of public instruction	22.76

(d) In addition, the omnibus appropriations act shall at a minimum specify:

(i) A high-poverty average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals; and

(ii) A specialty average class size for laboratory science, advanced placement, and international baccalaureate courses.

(5) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

	Elementary	Middle	High
	School	School	School
Principals, assistant principals, and other certificated building-level administrators.....	1.253	1.3	1.8
Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs.....	0.663	0.5	0.5
Health and social services:			
School nurses.....	0.076	0.0	0.0
Social workers.....	0.042	0.0	0.0
Psychologists.....	0.017	0.0	0.0
Guidance counselors, a function that includes parent outreach and graduation advising.....	0.493	1.1	1.9

Teaching assistance, including any aspect of educational instructional services provided by classified employees	0.936	0.7	0.6
Office support and other noninstructional aides	2.012	2.3	3.2
Custodians.....	1.657	1.9	2.9
		42	65
Classified staff providing student and staff safety.....	0.079	0.0	0.1
Parent involvement coordinators	0.00	0.0	0.0
		0	0

classified staff	\$18.89
Facilities maintenance	\$153.18
Security and central office administration	\$106.12

(6)(a) The minimum staffing allocation for each school district to provide district-wide support services shall be allocated per one thousand annual average full-time equivalent students in grades K-12 as follows:

Staff per 1,000 K-12 students	
Technology	0.628
Facilities, maintenance, and grounds	1.813
Warehouse, laborers, and mechanics	0.332

(b) The minimum allocation of staff units for each school district to support certificated and classified staffing of central administration shall be 5.30 percent of the staff units generated under subsections (4)(a) and (b) and (5) of this section and (a) of this subsection.

(7) The distribution formula shall include staffing allocations to school districts for career and technical education and skill center administrative and other school-level certificated staff, as specified in the omnibus appropriations act.

(8)(a) Except as provided in (b) of this subsection, the minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs, to be adjusted for inflation from the 2008-09 school year:

Per annual average full-time equivalent student in grades K-12	
Technology	\$54.43
Utilities and insurance	\$147.90
Curriculum and textbooks	\$58.44
Other supplies and library materials	\$124.07
Instructional professional development for certified and classified staff	\$9.04
Facilities maintenance	\$73.27
Security and central office	\$50.76

(b) During the 2011-2013 biennium, the minimum allocation for maintenance, supplies, and operating costs shall be increased as specified in the omnibus appropriations act. The following allocations, adjusted for inflation from the 2007-08 school year, are provided in the 2015-16 school year, after which the allocations shall be adjusted annually for inflation as specified in the omnibus appropriations act:

Per annual average full-time equivalent student in grades K-12	
Technology	\$113.80
Utilities and insurance	\$309.21
Curriculum and textbooks	\$122.17
Other supplies and library materials	\$259.39
Instructional professional development for certificated and	

(9) In addition to the amounts provided in subsection (8) of this section, the omnibus appropriations act shall provide an amount based on full-time equivalent student enrollment in each of the following:

(a) Exploratory career and technical education courses for students in grades seven through twelve;

(b) Laboratory science courses for students in grades nine through twelve;

(c) Preparatory career and technical education courses for students in grades nine through twelve offered in a high school; and

(d) Preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(10) In addition to the allocations otherwise provided under this section, amounts shall be provided to support the following programs and services:

(a) To provide supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the district percentage of students in grades K-12 who were eligible for free or reduced-price meals in the prior school year. The minimum allocation for the program shall provide for each level of prototypical school resources to provide, on a statewide average, 1.5156 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher.

(b) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the head count number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide resources to provide, on a statewide average, 4,7780 hours per week in extra instruction with fifteen transitional bilingual instruction program students per teacher.

(c) To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, allocations shall be based on two and three hundred fourteen one-thousandths percent of each school district's full-time equivalent basic education enrollment. The minimum allocation for the programs shall provide resources to provide, on a statewide average, 2,1590 hours per week in extra instruction with fifteen highly capable program students per teacher.

(11) The allocations under subsections (4)(a) and (b), (5), (6), and (8) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(12)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (4) and (10) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (4), (7), and (9) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(13)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature.

(b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect.

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction and shall be included as part of the superintendent's biennial budget request. The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house ways and means committee and the senate ways and means committee.

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

Sec. 10. RCW 28A.150.100 and 2010 c 236 s 13 are each amended to read as follows:

(1) For the purposes of this section and RCW 28A.150.410 and 28A.400.200, "basic education certificated instructional staff" means all full-time equivalent classroom teachers, teacher librarians, guidance counselors, certificated student health services staff, and other certificated instructional staff in the following programs as defined for statewide school district accounting purposes: Basic education, secondary vocational education, general instructional support, and general supportive services.

(2) Each school district shall maintain a ratio of at least forty-six basic education certificated instructional staff to one thousand annual average full-time equivalent students. This requirement does not apply to that portion of a district's annual average full-time equivalent enrollment that is enrolled in alternative learning experience programs as defined in section 2 of this act.

Sec. 11. RCW 28A.250.050 and 2009 c 542 s 6 are each amended to read as follows:

(1) By August 31, 2010, all school district boards of directors shall develop policies and procedures regarding student access to online courses and online learning programs. The policies and procedures shall include but not be limited to: Student eligibility criteria; the types of online courses available to students through the school district; the methods districts will use to support student success, which may include a local advisor; when the school district will and will not pay course fees and other costs; the granting of high school credit; and a process for students and parents or guardians to formally acknowledge any course taken for which no credit is given. The policies and procedures shall take effect beginning with the 2010-11 school year. School districts shall submit their policies to the superintendent of public instruction by September 15, 2010. By December 1, 2010, the superintendent of public instruction shall summarize the school district policies regarding student access to online courses and submit a report to the legislature.

(2) School districts must award credit for online high school courses successfully completed by a student that meet the school district's graduation requirements and are provided by an approved online provider.

(3) School districts shall provide students with information regarding online courses that are available through the school district. The information shall include the types of information described in subsection (1) of this section.

~~((3))~~ (4) When developing local or regional online learning programs, school districts shall incorporate into the program design the approval criteria developed by the superintendent of public instruction under RCW 28A.250.020.

NEW SECTION. **Sec. 12.** Sections 9 and 10 of this act take effect September 1, 2011.

NEW SECTION. **Sec. 13.** Section 9 of this act expires July 1, 2013."

On page 1, line 2 of the title, after "experiences;" strike the remainder of the title and insert "amending RCW 28A.150.262, 28A.250.005, 28A.250.010, 28A.250.020, 28A.250.030, 28A.250.060, 28A.150.260, 28A.150.100, and 28A.250.050; adding a new section to chapter 28A.150 RCW; creating a new section; providing an effective date; and providing an expiration date."

and the same is herewith transmitted.

Thomas Hoemann, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2065 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Hunt and Dahlquist spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2065, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2065, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 71; Nays, 25; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Bailey, Blake, Carlyle, Clibborn, Cody, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Harris, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Klippert, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Orwall, Overstreet, Pedersen, Pettigrew, Probst, Reykdal, Rivers, Roberts, Rodne, Rolfes, Ryu, Santos, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wilcox, Wylie and Mr. Speaker.

Voting nay: Representatives Armstrong, Asay, Billig, Buys, Chandler, Condotta, DeBolt, Hargrove, Hinkle, Johnson, Kretz, Kristiansen, Nealey, Orcutt, Ormsby, Parker, Pearson, Ross, Schmick, Shea, Short, Taylor, Walsh, Warnick and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2065, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5919, by Senate Committee on Ways & Means (originally sponsored by Senators Murray and Zarelli)

Regarding education funding.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Hunter and Hunter (again) spoke in favor of the passage of the bill.

Representative Alexander spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5919.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5919, and the bill passed the House by the following vote: Yeas, 57; Nays, 39; Absent, 0; Excused, 2.

Voting yea: Representatives Appleton, Armstrong, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Reykdal, Roberts, Rolfes, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Asay, Bailey, Buys, Chandler, Condotta, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Johnson, Klippert, Kretz, Kristiansen, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5919, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on Engrossed Substitute Senate Bill No. 5919.

Representative Ross, 14th District

STATEMENT FOR THE JOURNAL

I intended to vote YEA on Engrossed Substitute Senate Bill No. 5919.

Representative Johnson, 14th District

ENGROSSED SUBSTITUTE SENATE BILL NO. 5091, by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Keiser and Shin)

Delaying the implementation of the family leave insurance program.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Hunter and Condotta spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5091.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5091, and the bill passed the House by the following vote: Yeas, 91; Nays, 5; Absent, 0; Excused, 2.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Klippert, Kretz, Kristiansen, Ladenburg, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Probst, Rivers, Roberts, Rodne, Rolfes, Ross, Ryu, Santos, Schmick, Seaquist, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Kirby, Lias, Ormsby, Reykdal and Sells.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5091, having received the necessary constitutional majority, was declared passed.

MESSAGES FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL 2020 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1087 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed ENGROSSED SUBSTITUTE SENATE BILL 5860 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL 1497 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed ENGROSSED SUBSTITUTE SENATE BILL 5931 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL 1410 and the same is herewith transmitted.

Thomas Hoemann, Secretary

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5834, by Senate Committee on Ways & Means (originally sponsored by Senators Murray, Litzow, McAuliffe, Nelson, Hill, White, Kohl-Welles, Fain and Eide)

Permitting counties to direct an existing portion of local lodging taxes to programs for arts and heritage. Revised for 1st Substitute: Permitting counties to direct an existing portion of local lodging taxes to programs for arts and heritage. (REVISED FOR ENGROSSED: Permitting counties to direct an existing portion of local lodging taxes to programs for arts, culture, heritage, tourism, and housing.)

The bill was read the second time.

With the consent of the house, amendment (863) was withdrawn.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Pedersen, Springer, Dickerson, Upthegrove and Santos spoke in favor of the passage of the bill.

Representatives Orcutt, Klippert and Hargrove spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5834.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5834, and the bill passed the House by the following vote: Yeas, 62; Nays, 34; Absent, 0; Excused, 2.

Voting yea: Representatives Anderson, Appleton, Armstrong, Asay, Billig, Carlyle, Chandler, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Frockt, Goodman, Green, Haigh, Haler, Hasegawa, Hope, Hudgins, Hunt, Hunter, Jinkins, Johnson, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Orwall, Pedersen, Pettigrew, Reykdal, Roberts, Rolfes, Ross, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger,

Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Bailey, Blake, Buys, Condotta, Dahlquist, Dammeier, DeBolt, Fagan, Hargrove, Harris, Hinkle, Hurst, Kelley, Klippert, Kretz, Kristiansen, Nealey, Orcutt, Ormsby, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Schmick, Shea, Short, Smith, Taylor and Wylie.

Excused: Representatives Crouse and McCune.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5834, having received the necessary constitutional majority, was declared passed.

MESSAGES FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The President has signed ENGROSSED SUBSTITUTE SENATE BILL 5834 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE SENATE BILL 5091

ENGROSSED SUBSTITUTE SENATE BILL 5919

and the same are herewith transmitted.

Thomas Hoemann, Secretary

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1497
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2020
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2065
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1346
 ENGROSSED HOUSE BILL NO. 2069
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2082
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2088
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5091
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5834
 SECOND SUBSTITUTE SENATE BILL NO. 5459
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5860
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5931

The Speaker called upon Representative Moeller to preside.

MESSAGES FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The Senate has passed:

SENATE CONCURRENT RESOLUTION 8403

SENATE CONCURRENT RESOLUTION 8404

and the same are herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL 1346 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE HOUSE BILL 1346
ENGROSSED SUBSTITUTE HOUSE BILL 1410
ENGROSSED SUBSTITUTE HOUSE BILL 1497
ENGROSSED SUBSTITUTE HOUSE BILL 2020
ENGROSSED SUBSTITUTE HOUSE BILL 2065
ENGROSSED HOUSE BILL 2069
ENGROSSED SUBSTITUTE HOUSE BILL 2082
ENGROSSED SUBSTITUTE HOUSE BILL 2088

and the same are herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1087 and the same is herewith transmitted.

Thomas Hoemann, Secretary

May 25, 2011

MR. SPEAKER:

The President has signed:

HOUSE BILL 1131
SECOND SUBSTITUTE HOUSE BILL 1132
ENGROSSED SUBSTITUTE HOUSE BILL 1548
ENGROSSED SUBSTITUTE HOUSE BILL 1981
ENGROSSED HOUSE BILL 2003
SUBSTITUTE HOUSE BILL 2119

and the same are herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House reverted to the fourth order of business.

SUPPLEMENTAL INTRODUCTION & FIRST READING

There being no objection, SENATE CONCURRENT RESOLUTION NO. 8403 and SENATE CONCURRENT RESOLUTION NO. 8404 were read the first time, and under suspension of the rules were placed on the second reading calendar.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

SENATE CONCURRENT RESOLUTION 8403 By Senators Brown and Hewitt

BE IT RESOLVED, By the Senate of the State of Washington, the House of Representatives concurring, That immediately before adjournment SINE DIE of this 2011 1st Special session of the Sixty-second Legislature:

(1) The Senate shall transmit to the House of Representatives all House bills, House joint resolutions, House concurrent resolutions, and House joint memorials in its possession that have not been passed by the Senate, and upon receipt by the House of Representatives of such measures they shall be assigned to the House Rules Committee for third reading; and

(2) The House of Representatives shall transmit to the Senate all Senate bills, Senate joint resolutions, Senate concurrent resolutions, and Senate joint memorials in its possession that have not been passed by the House of Representatives, and upon receipt by the Senate of such measures they shall be assigned to the Senate Rules Committee for third reading; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate and the Chief Clerk of the House of Representatives shall retain in their possession and in the status that exists upon the adjournment SINE DIE of the 2011 1st Special session of the Sixty-second Legislature, all legislative measures including all bills, joint resolutions, concurrent resolutions, and joint memorials that may at that time be in their respective houses and all records, journals, dockets, and other documents pertaining thereto; and

BE IT FURTHER RESOLVED, That all measures introduced at any special session of the Sixty-second Legislature shall be numbered as a continuation of the numbers assigned to measures of the 2011 Regular and 1st Special sessions of the Sixty-second Legislature.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of Senate Concurrent Resolution No. 8403.

SENATE CONCURRENT RESOLUTION NO. 8403 was adopted.

SENATE CONCURRENT RESOLUTION 8404 By Senators Brown and Hewitt

BE IT RESOLVED, By the Senate of the State of Washington, the House of Representatives concurring, That the 2011 1st Special Session of the Sixty-second Legislature adjourn SINE DIE.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of Senate Concurrent Resolution No. 8404.

SENATE CONCURRENT RESOLUTION NO. 8404 was adopted.

MESSAGE FROM THE SENATE

May 25, 2011

MR. SPEAKER:

The President has signed:

SENATE CONCURRENT RESOLUTION 8403
SENATE CONCURRENT RESOLUTION 8404

and the same are herewith transmitted.

Thomas Hoemann, Secretary

MOTIONS

On motion of Representative Sullivan, the reading of the Journal of the 30th Day of the 2011 1st Special Session of the 62nd Legislature was dispensed with and ordered to stand approved.

On motion of Representative Sullivan, the 2011 1st Special Session of the 62nd Legislature was adjourned SINE DIE.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

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