# EIGHTIETH DAY

House Chamber, Olympia, Wednesday, March 29, 2023

The House was called to order at 10:30 a.m. by the Speaker (Representative Bronoske 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 Vedant Srinivas and Mikhaila Leo. The Speaker (Representative Bronoske presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Reverend Shirley Delarme, Port Orchard United Methodist Church.

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

## RESOLUTION

**HOUSE RESOLUTION NO. 2023-4631**, by Representative McClintock

WHEREAS, It is the policy of the Washington State House of Representatives to recognize excellence in every field of endeavor; and

WHEREAS, Hezekiah Hewes won a gold and bronze medal at the 2022 Special Olympics Spring Games; and

WHEREAS, Hezekiah placed first in the fifty-meter swim event and placed third in the twenty-five meter swim event; and

WHEREAS, Hezekiah overcame numerous obstacles in his training such as his practice pool which was far from Hewes's residence, a shortage of lifeguards which limited training hours for Hewes and those he trained with, not to mention the disastrous impact of COVID-19 pandemic lockdowns on student-athletes; and

WHEREAS, Hezekiah has proven his dedication to his studies by graduating with a 4.0 GPA while training to compete in the 2022 Special Olympics Spring Games;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives congratulate Hezekiah Hewes on his accomplishments and congratulate his mother and father as well as the Battleground community for this memorable achievement; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Chief Clerk of the House of Representatives to gold and bronze medalist Hezekiah Hewes.

HOUSE RESOLUTION NO. 4631 was adopted.

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

## MESSAGE FROM THE SENATE

Wednesday, March 29, 2023

Mme. Speaker:

The Senate has adopted:

SENATE CONCURRENT RESOLUTION NO. 8407

and the same is herewith transmitted.

Sarah Bannister, Secretary

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

## INTRODUCTION & FIRST READING

HB 1852 by Representatives Wylie and Ryu

AN ACT Relating to tolling authorization for the Interstate 5 bridge replacement project; amending RCW 43.84.092 and 43.84.092; reenacting and amending RCW 47.56.810; adding new sections to chapter 47.56 RCW; creating new sections; repealing RCW 47.56.892; providing an effective date; providing a contingent effective date; and providing an expiration date.

Referred to Committee on Transportation.

There being no objection, the bill listed on the day's introduction sheet under the fourth order of business was referred to the committee so designated.

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

## REPORTS OF STANDING COMMITTEES

March 27, 2023

ESB 5022 Prime Sponsor, Senator Muzzall: Exempting fentanyl testing equipment from the definition of drug paraphernalia. Reported by Committee on Community Safety, Justice, & Reentry

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 69.50.102 and 2022 c 16 s 52 are each amended to read as follows:

(a) As used in this chapter, "drug paraphernalia" means all equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, ((~~testing,~~)) analyzing, packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance. It includes, but is not limited to:

(1) Kits used, intended for use, or designed for use in planting, propagating, cultivating, growing, or harvesting of any species of plant which is a controlled substance or from which a controlled substance can be derived;

(2) Kits used, intended for use, or designed for use in manufacturing, compounding, converting, producing, processing, or preparing controlled substances;

(3) Isomerization devices used, intended for use, or designed for use in increasing

the potency of any species of plant which is a controlled substance;

(4) ((~~Testing equipment used, intended for use, or designed for use in identifying or in analyzing the strength, effectiveness, or purity of controlled substances;~~

~~(5)~~)) Scales and balances used, intended for use, or designed for use in weighing or measuring controlled substances;

((~~(6)~~))(5) Diluents and adulterants, such as quinine hydrochloride, mannitol, mannite, dextrose, and lactose, used, intended for use, or designed for use in cutting controlled substances;

((~~(7)~~))(6) Separation gins and sifters used, intended for use, or designed for use in removing twigs and seeds from, or in otherwise cleaning or refining, cannabis;

((~~(8)~~))(7) Blenders, bowls, containers, spoons, and mixing devices used, intended for use, or designed for use in compounding controlled substances;

((~~(9)~~))(8) Capsules, balloons, envelopes, and other containers used, intended for use, or designed for use in packaging small quantities of controlled substances;

((~~(10)~~))(9) Containers and other objects used, intended for use, or designed for use in storing or concealing controlled substances;

((~~(11)~~))(10) Hypodermic syringes, needles, and other objects used, intended for use, or designed for use in parenterally injecting controlled substances into the human body;

((~~(12)~~))(11) Objects used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing cannabis, cocaine, hashish, or hashish oil into the human body, such as:

(i) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;

(ii) Water pipes;

(iii) Carburetion tubes and devices;

(iv) Smoking and carburetion masks;

(v) Roach clips: Meaning objects used to hold burning material, such as a cannabis cigarette, that has become too small or too short to be held in the hand;

(vi) Miniature cocaine spoons, and cocaine vials;

(vii) Chamber pipes;

(viii) Carburetor pipes;

(ix) Electric pipes;

(x) Air-driven pipes;

(xi) Chillums;

(xii) Bongs; and

(xiii) Ice pipes or chillers.

(b) In determining whether an object is drug paraphernalia under this section, a court or other authority should consider, in addition to all other logically relevant factors, the following:

(1) Statements by an owner or by anyone in control of the object concerning its use;

(2) Prior convictions, if any, of an owner, or of anyone in control of the object, under any state or federal law relating to any controlled substance;

(3) The proximity of the object, in time and space, to a direct violation of this chapter;

(4) The proximity of the object to controlled substances;

(5) The existence of any residue of controlled substances on the object;

(6) Direct or circumstantial evidence of the intent of an owner, or of anyone in control of the object, to deliver it to persons whom he or she knows, or should reasonably know, intend to use the object to facilitate a violation of this chapter; the innocence of an owner, or of anyone in control of the object, as to a direct violation of this chapter shall not prevent a finding that the object is intended or designed for use as drug paraphernalia;

(7) Instructions, oral or written, provided with the object concerning its use;

(8) Descriptive materials accompanying the object which explain or depict its use;

(9) National and local advertising concerning its use;

(10) The manner in which the object is displayed for sale;

(11) Whether the owner, or anyone in control of the object, is a legitimate supplier of like or related items to the community, such as a licensed distributor or dealer of tobacco products;

(12) Direct or circumstantial evidence of the ratio of sales of the object(s) to the total sales of the business enterprise;

(13) The existence and scope of legitimate uses for the object in the community; and

(14) Expert testimony concerning its use.

**Sec. 2.** RCW 69.50.4121 and 2022 c 16 s 92 are each amended to read as follows:

(1) Every person who sells or gives, or permits to be sold or given to any person any drug paraphernalia in any form commits a class I civil infraction under chapter 7.80 RCW. For purposes of this subsection, "drug paraphernalia" means all equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, ((~~testing,~~)) analyzing, packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance other than cannabis. Drug paraphernalia includes, but is not limited to objects used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing cocaine into the human body, such as:

(a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;

(b) Water pipes;

(c) Carburetion tubes and devices;

(d) Smoking and carburetion masks;

(e) Miniature cocaine spoons and cocaine vials;

(f) Chamber pipes;

(g) Carburetor pipes;

(h) Electric pipes;

(i) Air-driven pipes; and

(j) Ice pipes or chillers.

(2) It shall be no defense to a prosecution for a violation of this section that the person acted, or was believed by

the defendant to act, as agent or representative of another.

(3) Nothing in subsection (1) of this section prohibits ((~~legal distribution~~))selling or giving of injection syringe or testing equipment through public health and community-based HIV prevention programs, and pharmacies.

NEW SECTION. **Sec. 3.** This act shall be known and cited as the Patrick Janicki and Allisone McClanahan act."

Correct the title.

Signed by Representatives Goodman, Chair; Simmons, Vice Chair; Mosbrucker, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; Davis; Farivar; Fosse; Graham and Ramos.

Referred to Committee on Rules for second reading

March 24, 2023

SB 5058 Prime Sponsor, Senator Padden: Exempting buildings with 12 or fewer units that are no more than two stories from the definition of multiunit residential building. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member; Cheney; Entenman; Goodman; Peterson; Rude; Thai and Walen.

Referred to Committee on Rules for second reading

March 24, 2023

SSB 5077 Prime Sponsor, Law & Justice: Concerning the uniform commercial code. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"PART I**

**Sec. 101.** RCW 62A.1-201 and 2012 c 214 s 109 are each amended to read as follows:

(a) Unless the context otherwise requires, words or phrases defined in this section, or in the additional definitions contained in other articles of this title that apply to particular articles or parts thereof, have the meanings stated.

(b) Subject to definitions contained in other articles of this title that apply to particular articles or parts thereof:

(1) "Action," in the sense of a judicial proceeding, includes recoupment, counterclaim, set-off, suit in equity, and any other proceeding in which rights are determined.

(2) "Aggrieved party" means a party entitled to pursue a remedy.

(3) "Agreement," as distinguished from "contract," means the bargain of the parties in fact, as found in their language or inferred from other circumstances, including course of performance, course of dealing, or usage of trade as provided in RCW 62A.1-303.

(4) "Bank" means a person engaged in the business of banking and includes a savings bank, savings and loan association, credit union, and trust company.

(5) "Bearer" means a person in control of a negotiable electronic document of title or a person in possession of a negotiable instrument, negotiable tangible document of title, or certificated security that is payable to bearer or indorsed in blank.

(6) "Bill of lading" means a document of title evidencing the receipt of goods for shipment issued by a person engaged in the business of directly or indirectly transporting or forwarding goods. The term does not include a warehouse receipt.

(7) "Branch" includes a separately incorporated foreign branch of a bank.

(8) "Burden of establishing" a fact means the burden of persuading the trier of fact that the existence of the fact is more probable than its nonexistence.

(9) "Buyer in ordinary course of business" means a person that buys goods in good faith, without knowledge that the sale violates the rights of another person in the goods, and in the ordinary course from a person, other than a pawnbroker, in the business of selling goods of that kind. A person buys goods in the ordinary course if the sale to the person comports with the usual or customary practices in the kind of business in which the seller is engaged or with the seller's own usual or customary practices. A person that sells oil, gas, or other minerals at the wellhead or minehead is a person in the business of selling goods of that kind. A buyer in ordinary course of business may buy for cash, by exchange of other property, or on secured or unsecured credit, and may acquire goods or documents of title under a preexisting contract for sale. Only a buyer that takes possession of the goods or has a right to recover the goods from the seller under Article 2 of this title may be a buyer in ordinary course of business. "Buyer in ordinary course of business" does not include a person that acquires goods in a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

(10) "Conspicuous," with reference to a term, means so written, displayed, or presented that, based on the totality of the circumstances, a reasonable person against which it is to operate ought to have noticed it. Whether a term is "conspicuous" or not is a decision for the court. ((~~Conspicuous terms include the following:~~

~~(A) A heading in capitals equal to or greater in size than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same or lesser size; and~~

~~(B) Language in the body of a record or display in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from surrounding text of the same size by symbols or other marks that call attention to the language.~~))

(11) "Consumer" means an individual who enters into a transaction primarily for personal, family, or household purposes.

(12) "Contract," as distinguished from "agreement," means the total legal obligation that results from the parties' agreement as determined by this title as supplemented by any other applicable laws.

(13) "Creditor" includes a general creditor, a secured creditor, a lien creditor, and any representative of creditors, including an assignee for the benefit of creditors, a trustee in bankruptcy, a receiver in equity, and an executor or administrator of an insolvent debtor's or assignor's estate.

(14) "Defendant" includes a person in the position of defendant in a counterclaim, cross-claim, or third-party claim.

(15) "Delivery," with respect to an electronic document of title, means voluntary transfer of control and, with respect to an instrument, a tangible document of title, or an authoritative tangible copy of a record evidencing chattel paper, means voluntary transfer of possession.

(16) "Document of title" means a record (i) that in the regular course of business or financing is treated as adequately evidencing that the person in possession or control of the record is entitled to receive, control, hold, and dispose of the record and the goods the record covers and (ii) that purports to be issued by or addressed to a bailee and to cover goods in the bailee's possession which are either identified or are fungible portions of an identified mass. The term includes a bill of lading, transport document, dock warrant, dock receipt, warehouse receipt, and order for delivery of goods. An electronic document of title means a document of title evidenced by a record consisting of information stored in an electronic medium. A tangible document of title means a document of title evidenced by a record consisting of information that is inscribed on a tangible medium.

(16A) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(17) "Fault" means a default, breach, or wrongful act or omission.

(18) "Fungible goods" means:

(A) Goods of which any unit, by nature or usage of trade, is the equivalent of any other like unit; or

(B) Goods that by agreement are treated as equivalent.

(19) "Genuine" means free of forgery or counterfeiting.

(20) "Good faith," except as otherwise provided in Article 5 of this title, means honesty in fact and the observance of reasonable commercial standards of fair dealing.

(21) "Holder" with respect to a negotiable instrument, means:

(A) The person in possession of a negotiable instrument that is payable either to bearer or to an identified person that is the person in possession;

(B) The person in possession of a negotiable tangible document of title if the goods are deliverable either to bearer or to the order of the person in possession; or

(C) The person in control, other than pursuant to RCW 62A.7-106(g), of a negotiable electronic document of title.

(22) "Insolvency proceeding" includes an assignment for the benefit of creditors or other proceeding intended to liquidate or rehabilitate the estate of the person involved.

(23) "Insolvent" means:

(A) Having generally ceased to pay debts in the ordinary course of business other than as a result of bona fide dispute;

(B) Being unable to pay debts as they become due; or

(C) Being insolvent within the meaning of federal bankruptcy law.

(24) "Money" means a medium of exchange that is currently authorized or adopted by a domestic or foreign government. The term includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more countries. The term does not include an electronic record that is a medium of exchange recorded and transferable in a system that existed and operated for the medium of exchange before the medium of exchange was authorized or adopted by the government.

(25) "Organization" means a person other than an individual.

(26) "Party," as distinguished from "third party," means a person that has engaged in a transaction or made an agreement subject to this title.

(27) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, ((~~public corporation,~~)) or any other legal or commercial entity. The term includes a protected series, however denominated, of an entity if the protected series is established under law other than this title that limits, or limits if conditions specified under the law are satisfied, the ability of a creditor of the entity or of any other protected series of the entity to satisfy a claim from assets of the protected series.

(28) "Present value" means the amount as of a date certain of one or more sums payable in the future, discounted to the date certain by use of either an interest rate specified by the parties if that rate is not manifestly unreasonable at the time the transaction is entered into or, if an interest rate is not so specified, a commercially reasonable rate that takes into account the facts and circumstances at the time the transaction is entered into.

(29) "Purchase" means taking by sale, lease, discount, negotiation, mortgage, pledge, lien, security interest, issue or reissue, gift, or any other voluntary transaction creating an interest in property.

(30) "Purchaser" means a person that takes by purchase.

(31) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(32) "Remedy" means any remedial right to which an aggrieved party is entitled with or without resort to a tribunal.

(33) "Representative" means a person empowered to act for another, including an agent, an officer of a corporation or association, and a trustee, executor, or administrator of an estate.

(34) "Right" includes remedy.

(35) "Security interest" means an interest in personal property or fixtures which secures payment or performance of an obligation. "Security interest" includes any interest of a consignor and a buyer of accounts, chattel paper, a payment intangible, or a promissory note in a transaction that is subject to Article 9A of this title. "Security interest" does not include the special property interest of a buyer of goods on identification of those goods to a contract for sale under RCW 62A.2-401, but a buyer may also acquire a "security interest" by complying with Article 9A of this title. Except as otherwise provided in RCW 62A.2-505, the right of a seller or lessor of goods under Article 2 or 2A of this title to retain or acquire possession of the goods is not a "security interest," but a seller or lessor may also acquire a "security interest" by complying with Article 9A of this title. The retention or reservation of title by a seller of goods notwithstanding shipment or delivery to the buyer under RCW 62A.2-401 is limited in effect to a reservation of a "security interest." Whether a transaction in the form of a lease creates a "security interest" is determined pursuant to RCW 62A.1-203.

(36) "Send," in connection with a ((~~writing,~~)) record((~~,~~)) or ((~~notice~~))notification, means:

(A) To deposit in the mail ((~~or~~)), deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for ((~~and properly addressed and, in the case of an instrument, to an address specified thereon or otherwise agreed, or if there be none~~)), addressed to any address reasonable under the circumstances; or

(B) ((~~In any other way to cause to be received any record or notice within the time it would have arrived if properly sent~~))to cause the record or notification to be received within the time it would have been received if properly sent under (36)(A) of this subsection.

(37) ((~~"Signed" includes using any symbol executed or adopted with present intention to adopt or accept a writing.~~))"Sign" means, with present intent to authenticate or adopt a record:

(A) Execute or adopt a tangible symbol; or

(B) Attach to or logically associate with the record an electronic symbol, sound, or process.

"Signed," "signing," and "signature" have corresponding meanings.

(38) "State" means a State of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(39) "Surety" includes a guarantor or other secondary obligor.

(40) "Term" means a portion of an agreement that relates to a particular matter.

(41) "Unauthorized signature" means a signature made without actual, implied, or apparent authority. The term includes a forgery.

(42) "Warehouse receipt" means a document of title issued by a person engaged in the business of storing goods for hire.

(43) "Writing" includes printing, typewriting, or any other intentional reduction to tangible form. "Written" has a corresponding meaning.

**Sec. 102.** RCW 62A.1-204 and 2012 c 214 s 112 are each amended to read as follows:

Except as otherwise provided in Articles 3, 4, ((~~and~~)) 5, and 12 of this title, a person gives value for rights if the person acquires them:

(1) In return for a binding commitment to extend credit or for the extension of immediately available credit, whether or not drawn upon and whether or not a charge-back is provided for in the event of difficulties in collection;

(2) As security for, or in total or partial satisfaction of, a preexisting claim;

(3) By accepting delivery under a preexisting contract for purchase; or

(4) In return for any consideration sufficient to support a simple contract.

**Sec. 103.** RCW 62A.1-301 and 2012 c 214 s 115 are each amended to read as follows:

(a) Except as otherwise provided in this section, when a transaction bears a reasonable relation to this state and also to another state or nation the parties may agree that the law either of this state or of such other state or nation shall govern their rights and duties.

(b) In the absence of an agreement effective under subsection (a) of this section, and except as provided in subsection (c) of this section, this title applies to transactions bearing an appropriate relation to this state.

(c) If one of the following provisions of this title specifies the applicable law, that provision governs and a contrary agreement is effective only to the extent permitted by the law so specified:

(1) RCW 62A.2-402;

(2) RCW 62A.2A-105 and 62A.2A-106;

(3) RCW 62A.4-102;

(4) RCW 62A.4A-507;

(5) RCW 62A.5-116;

(6) RCW 62A.8-110;

(7) RCW 62A.9A-301 through 62A.9A-307; and

(8) Section 1007 of this act.

**Sec. 104.** RCW 62A.1-306 and 2012 c 214 s 120 are each amended to read as follows:

A claim or right arising out of an alleged breach may be discharged in whole or in part without consideration by agreement of the aggrieved party in ((~~an authenticated~~))a signed record.

**PART II**

**Sec. 201.** RCW 62A.2-102 and 1965 ex.s. c 157 s 2-102 are each amended to read as follows:

((~~Unless the context otherwise requires, this Article applies to transactions in goods; it does not apply to any transaction which although in the form of an unconditional contract to sell or present sale is intended to operate only as a security transaction nor does this Article impair or repeal any statute regulating sales to consumers, farmers or other specified classes of buyers.~~))(1) Unless the context otherwise requires, and except as provided in subsection (3) of this section, this Article applies to transactions in goods and, in the case of a hybrid transaction, it applies to the extent provided in subsection (2) of this section.

(2) In a hybrid transaction:

(a) If the sale-of-goods aspects do not predominate, only the provisions of this Article which relate primarily to the sale-of-goods aspects of the transaction apply, and the provisions that relate primarily to the transaction as a whole do not apply.

(b) If the sale-of-goods aspects predominate, this Article applies to the transaction but does not preclude application in appropriate circumstances of other law to aspects of the transaction which do not relate to the sale of goods.

(3) This Article does not:

(a) Apply to a transaction that, even though in the form of an unconditional contract to sell or present sale, operates only to create a security interest; or

(b) Impair or repeal a statute regulating sales to consumers, farmers, or other specified classes of buyers.

**Sec. 202.** RCW 62A.2-106 and 1965 ex.s. c 157 s 2-106 are each amended to read as follows:

(1) In this Article unless the context otherwise requires "contract" and "agreement" are limited to those relating to the present or future sale of goods. "Contract for sale" includes both a present sale of goods and a contract to sell goods at a future time. A "sale" consists in the passing of title from the seller to the buyer for a price (RCW 62A.2-401). A "present sale" means a sale which is accomplished by the making of the contract.

(2) Goods or conduct including any part of a performance are "conforming" or conform to the contract when they are in accordance with the obligations under the contract.

(3) "Termination" occurs when either party pursuant to a power created by agreement or law puts an end to the contract otherwise than for its breach. On "termination" all obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

(4) "Cancellation" occurs when either party puts an end to the contract for breach by the other and its effect is the same as that of "termination" except that the canceling party also retains any remedy for breach of the whole contract or any unperformed balance.

(5) "Hybrid transaction" means a single transaction involving a sale of goods and:

(a) The provision of services;

(b) A lease of other goods; or

(c) A sale, lease, or license of property other than goods.

**Sec. 203.** RCW 62A.2-201 and 2013 c 23 s 126 are each amended to read as follows:

(1) Except as otherwise provided in this section, a contract for the sale of goods for the price of ((~~five hundred dollars~~)) $500 or more is not enforceable by way of action or defense unless there is ((~~some writing~~))a record sufficient to indicate that a contract for sale has been made between the parties and signed by the party against whom enforcement is sought or by ((~~his or her~~))the party's authorized agent or broker. A ((~~writing~~))record is not insufficient because it omits or incorrectly states a term agreed upon but the contract is not enforceable under this ((~~paragraph~~))subsection beyond the quantity of goods shown in ((~~such writing~~))the record.

(2) Between merchants if within a reasonable time a ((~~writing~~))record in confirmation of the contract and sufficient against the sender is received and the party receiving it has reason to know its contents, it satisfies the requirements of subsection (1) of this section against ((~~such~~))the party unless ((~~written~~)) notice in a record of objection to its contents is given within ((~~ten~~))10 days after it is received.

(3) A contract which does not satisfy the requirements of subsection (1) of this section but which is valid in other respects is enforceable:

(a) If the goods are to be specially manufactured for the buyer and are not suitable for sale to others in the ordinary course of the seller's business and the seller, before notice of repudiation is received and under circumstances which reasonably indicate that the goods are for the buyer, has made either a substantial beginning of their manufacture or commitments for their procurement; or

(b) If the party against whom enforcement is sought admits in his or her pleading, testimony, or otherwise in court that a contract for sale was made, but the contract is not enforceable under this provision beyond the quantity of goods admitted; or

(c) With respect to goods for which payment has been made and accepted or which have been received and accepted (RCW 62A.2-606).

**Sec. 204.** RCW 62A.2-202 and 2012 c 214 s 803 are each amended to read as follows:

Terms with respect to which the confirmatory memoranda of the parties agree or which are otherwise set forth in a ((~~writing~~))record intended by the parties as a final expression of their agreement with respect to such terms as are included therein may not be contradicted by evidence of any prior agreement or of a

contemporaneous oral agreement but may be explained or supplemented:

(a) By course of performance, course of dealing, or usage of trade (RCW 62A.1-303); and

(b) By evidence of consistent additional terms unless the court finds the ((~~writing~~))record to have been intended also as a complete and exclusive statement of the terms of the agreement.

**Sec. 205.** RCW 62A.2-203 and 1965 ex.s. c 157 s 2-203 are each amended to read as follows:

The affixing of a seal to a ((~~writing~~))record evidencing a contract for sale or an offer to buy or sell goods does not constitute the ((~~writing~~))record a sealed instrument and the law with respect to sealed instruments does not apply to such contract or offer.

**Sec. 206.** RCW 62A.2-205 and 1965 ex.s. c 157 s 2-205 are each amended to read as follows:

An offer by a merchant to buy or sell goods in a signed ((~~writing~~))record which by its terms gives assurance that it will be held open is not revocable, for lack of consideration, during the time stated or if no time is stated for a reasonable time, but in no event may such period of irrevocability exceed three months; but any such term of assurance on a form supplied by the offeree must be separately signed by the offeror.

**Sec. 207.** RCW 62A.2-209 and 1965 ex.s. c 157 s 2-209 are each amended to read as follows:

(1) An agreement modifying a contract within this Article needs no consideration to be binding.

(2) A signed agreement which excludes modification or rescission except by a signed writing or other signed record cannot be otherwise modified or rescinded, but except as between merchants such a requirement on a form supplied by the merchant must be separately signed by the other party.

(3) The requirements of the statute of frauds section of this Article (RCW 62A.2-201) must be satisfied if the contract as modified is within its provisions.

(4) Although an attempt at modification or rescission does not satisfy the requirements of subsection (2) or (3) it can operate as a waiver.

(5) A party who has made a waiver affecting an executory portion of the contract may retract the waiver by reasonable notification received by the other party that strict performance will be required of any term waived, unless the retraction would be unjust in view of a material change of position in reliance on the waiver.

**PART III**

**Sec. 301.** RCW 62A.2A-102 and 1993 c 230 s 2A-102 are each amended to read as follows:

(1) This Article applies to any transaction, regardless of form, that creates a lease and, in the case of a hybrid lease, it applies to the extent provided in subsection (2) of this section.

(2) In a hybrid lease:

(a) If the lease-of-goods aspects do not predominate:

(i) Only the provisions of this Article which relate primarily to the lease-of-goods aspects of the transaction apply, and the provisions that relate primarily to the transaction as a whole do not apply;

(ii) RCW 62A.2A-209 applies if the lease is a finance lease; and

(iii) RCW 62A.2A-407 applies to the promises of the lessee in a finance lease to the extent the promises are consideration for the right to possession and use of the leased goods; and

(b) If the lease-of-goods aspects predominate, this Article applies to the transaction, but does not preclude application in appropriate circumstances of other law to aspects of the lease which do not relate to the lease of goods.

**Sec. 302.** RCW 62A.2A-103 and 2012 c 214 s 902 are each amended to read as follows:

(1) In this Article unless the context otherwise requires:

(a) "Buyer in ordinary course of business" means a person who in good faith and without knowledge that the sale to him or her is in violation of the ownership rights or security interest or leasehold interest of a third party in the goods buys in ordinary course from a person in the business of selling goods of that kind but does not include a pawnbroker. "Buying" may be for cash, or by exchange of other property, or on secured or unsecured credit, and includes acquiring goods or documents of title under a preexisting contract for sale but does not include a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

(b) "Cancellation" occurs when either party puts an end to the lease contract for default by the other party.

(c) "Commercial unit" means such a unit of goods as by commercial usage is a single whole for purposes of lease and division of which materially impairs its character or value on the market or in use. A commercial unit may be a single article, as a machine, or a set of articles, as a suite of furniture or a line of machinery, or a quantity, as a gross or carload, or any other unit treated in use or in the relevant market as a single whole.

(d) "Conforming" goods or performance under a lease contract means goods or performance that are in accordance with the obligations under the lease contract.

(e) "Consumer lease" means a lease that a lessor regularly engaged in the business of leasing or selling makes to a lessee who is an individual who takes under the lease primarily for a personal, family, or household purpose, if the total payments to

be made under the lease contract, excluding payments for options to renew or buy, do not exceed twenty-five thousand dollars.

(f) "Fault" means wrongful act, omission, breach, or default.

(g) "Finance lease" means a lease with respect to which:

(i) The lessor does not select, manufacture, or supply the goods;

(ii) The lessor acquires the goods or the right to possession and use of the goods in connection with the lease; and

(iii) Only in the case of a consumer lease, either:

(A) The lessee receives a copy of the contract by which the lessor acquired the goods or the right to possession and use of the goods before signing the lease contract;

(B) The lessee's approval of the contract by which the lessor acquired the goods or the right to possession and use of the goods is a condition to effectiveness of the lease contract; or

(C) The lessee, before signing the lease contract, receives an accurate and complete statement designating the promises and warranties, and any disclaimers of warranties, limitations or modifications of remedies, or liquidated damages, including those of a third party, such as the manufacturer of the goods, provided to the lessor by the person supplying the goods in connection with or as part of the contract by which the lessor acquired the goods or the right to possession and use of the goods.

(h) "Goods" means all things that are movable at the time of identification to the lease contract, or are fixtures (RCW 62A.2A-309), but the term does not include money, documents, instruments, accounts, chattel paper, general intangibles, or minerals or the like, including oil and gas, before extraction. The term also includes the unborn young of animals.

(h.1) "Hybrid lease" means a single transaction involving a lease of goods and:

(i) The provision of services;

(ii) A sale of other goods; or

(iii) A sale, lease, or license of property other than goods.

(i) "Installment lease contract" means a lease contract that authorizes or requires the delivery of goods in separate lots to be separately accepted, even though the lease contract contains a clause "each delivery is a separate lease" or its equivalent.

(j) "Lease" means a transfer of the right to possession and use of goods for a term in return for consideration, but a sale, including a sale on approval or a sale or return, or retention or creation of a security interest is not a lease. Unless the context clearly indicates otherwise, the term includes a sublease.

(k) "Lease agreement" means the bargain, with respect to the lease, of the lessor and the lessee in fact as found in their language or by implication from other circumstances including course of dealing or usage of trade or course of performance as provided in this Article. Unless the context clearly indicates otherwise, the term includes a sublease agreement.

(l) "Lease contract" means the total legal obligation that results from the lease agreement as affected by this Article and any other applicable rules of law. Unless the context clearly indicates otherwise, the term includes a sublease contract.

(m) "Leasehold interest" means the interest of the lessor or the lessee under a lease contract.

(n) "Lessee" means a person who acquires the right to possession and use of goods under a lease. Unless the context clearly indicates otherwise, the term includes a sublessee.

(o) "Lessee in ordinary course of business" means a person who in good faith and without knowledge that the lease to him or her is in violation of the ownership rights or security interest or leasehold interest of a third party in the goods, leases in ordinary course from a person in the business of selling or leasing goods of that kind but does not include a pawnbroker. "Leasing" may be for cash, or by exchange of other property, or on secured or unsecured credit and includes acquiring goods or documents of title under a preexisting lease contract but does not include a transfer in bulk or as security for or in total or partial satisfaction of a money debt.

(p) "Lessor" means a person who transfers the right to possession and use of goods under a lease. Unless the context clearly indicates otherwise, the term includes a sublessor.

(q) "Lessor's residual interest" means the lessor's interest in the goods after expiration, termination, or cancellation of the lease contract.

(r) "Lien" means a charge against or interest in goods to secure payment of a debt or performance of an obligation, but the term does not include a security interest.

(s) "Lot" means a parcel or a single article that is the subject matter of a separate lease or delivery, whether or not it is sufficient to perform the lease contract.

(t) "Merchant lessee" means a lessee that is a merchant with respect to goods of the kind subject to the lease.

(u) "Present value" means the amount as of a date certain of one or more sums payable in the future, discounted to the date certain. The discount is determined by the interest rate specified by the parties if the rate was not manifestly unreasonable at the time the transaction was entered into; otherwise, the discount is determined by a commercially reasonable rate that takes into account the facts and circumstances of each case at the time the transaction was entered into.

(v) "Purchase" includes taking by sale, lease, mortgage, security interest, pledge, gift, or any other voluntary transaction creating an interest in goods.

(w) "Sublease" means a lease of goods the right to possession and use of which was acquired by the lessor as a lessee under an existing lease.

(x) "Supplier" means a person from whom a lessor buys or leases goods to be leased under a finance lease.

(y) "Supply contract" means a contract under which a lessor buys or leases goods to be leased.

(z) "Termination" occurs when either party pursuant to a power created by agreement or law puts an end to the lease contract otherwise than for default.

(2) Other definitions applying to this Article or to specified Parts thereof, and the sections in which they appear are:

| | |
|---|---|
| "Accessions." | RCW 62A.2A-310. |
| "Construction mortgage." | RCW 62A.2A-309. |
| "Encumbrance." | RCW 62A.2A-309. |
| "Fixtures." | RCW 62A.2A-309. |
| "Fixture filing." | RCW 62A.2A-309. |
| "Purchase money lease." | RCW 62A.2A-309. |

(3) The following definitions in other articles apply to this Article:

| | |
|---|---|
| "Account." | RCW 62A.9A-102. |
| "Between merchants." | RCW 62A.2-104. |
| "Buyer." | RCW 62A.2-103. |
| "Chattel paper." | RCW 62A.9A-102. |
| "Consumer goods." | RCW 62A.9A-102. |
| "Document." | RCW 62A.9A-102. |
| "Entrusting." | RCW 62A.2-403. |
| "General intangible." | RCW 62A.9A-102. |
| "Instrument." | RCW 62A.9A-102. |
| "Merchant." | RCW 62A.2-104(1). |
| "Mortgage." | RCW 62A.9A-102. |
| "Pursuant to commitment." | RCW 62A.9A-102. |
| "Receipt." | RCW 62A.2-103. |
| "Sale." | RCW 62A.2-106. |
| "Sale on approval." | RCW 62A.2-326. |
| "Sale or return." | RCW 62A.2-326. |
| "Seller." | RCW 62A.2-103. |

(4) In addition, Article 1 of this title contains general definitions and principles of construction and interpretation applicable throughout this Article.

**Sec. 303.** RCW 62A.2A-107 and 1993 c 230 s 2A-107 are each amended to read as follows:

Any claim or right arising out of an alleged default or breach of warranty may be discharged in whole or in part without consideration by a ((~~written~~)) waiver or renunciation in a signed ((~~and~~))record delivered by the aggrieved party.

**Sec. 304.** RCW 62A.2A-201 and 1993 c 230 s 2A-201 are each amended to read as follows:

(1) A lease contract is not enforceable by way of action or defense unless:

(a) The total payments to be made under the lease contract, excluding payments for options to renew or buy, are less than one thousand dollars; or

(b) There is a ((~~writing~~))record, signed by the party against whom enforcement is sought or by that party's authorized agent, sufficient to indicate that a lease contract has been made between the parties and to describe the goods leased and the lease term.

(2) Any description of leased goods or of the lease term is sufficient and satisfies subsection (1)(b) of this section, whether or not it is specific, if it reasonably identifies what is described.

(3) A ((~~writing~~))record is not insufficient because it omits or incorrectly states a term agreed upon, but the lease contract is not enforceable under subsection (1)(b) of this section beyond the lease term and the quantity of goods shown in the ((~~writing~~))record.

(4) A lease contract that does not satisfy the requirements of subsection (1) of this section, but which is valid in other respects, is enforceable:

(a) If the goods are to be specially manufactured or obtained for the lessee and are not suitable for lease or sale to others in the ordinary course of the lessor's business, and the lessor, before notice of repudiation is received and under circumstances that reasonably indicate that the goods are for the lessee, has made either a substantial beginning of their manufacture or commitments for their procurement;

(b) If the party against whom enforcement is sought admits in that party's pleading, testimony, or otherwise in court that a lease contract was made, but the lease contract is not enforceable under this provision beyond the quantity of goods admitted; or

(c) With respect to goods that have been received and accepted by the lessee.

(5) The lease term under a lease contract referred to in subsection (4) of this section is:

(a) If there is a ((~~writing~~))record signed by the party against whom enforcement is sought or by that party's authorized agent specifying the lease term, the term so specified;

(b) If the party against whom enforcement is sought admits in that party's pleading, testimony, or otherwise in court a lease term, the term so admitted; or

(c) A reasonable lease term.

**Sec. 305.** RCW 62A.2A-202 and 1993 c 230 s 2A-202 are each amended to read as follows:

Terms with respect to which the confirmatory memoranda of the parties agree or which are otherwise set forth in a ((~~writing~~))record intended by the parties as a final expression of their agreement with respect to such terms as are included therein may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement but may be explained or supplemented:

(1) By course of dealing or usage of trade or by course of performance; and

(2) By evidence of consistent additional terms unless the court finds the ((~~writing~~))record to have been intended also

as a complete and exclusive statement of the terms of the agreement.

**Sec. 306.** RCW 62A.2A-203 and 1993 c 230 s 2A-203 are each amended to read as follows:

The affixing of a seal to a ((~~writing~~))record evidencing a lease contract or an offer to enter into a lease contract does not render the ((~~writing~~))record a sealed instrument and the law with respect to sealed instruments does not apply to the lease contract or offer.

**Sec. 307.** RCW 62A.2A-205 and 1993 c 230 s 2A-205 are each amended to read as follows:

An offer by a merchant to lease goods to or from another person in a signed ((~~writing~~))record that by its terms gives assurance it will be held open is not revocable, for lack of consideration, during the time stated or, if no time is stated, for a reasonable time, but in no event may the period of irrevocability exceed three months. Any such term of assurance on a form supplied by the offeree must be separately signed by the offeror.

**Sec. 308.** RCW 62A.2A-208 and 1993 c 230 s 2A-208 are each amended to read as follows:

(1) An agreement modifying a lease contract needs no consideration to be binding.

(2) A signed lease agreement that excludes modification or rescission except by a signed ((~~writing~~))record may not be otherwise modified or rescinded, but, except as between merchants, such a requirement on a form supplied by a merchant must be separately signed by the other party.

(3) Although an attempt at modification or rescission does not satisfy the requirements of subsection (2) of this section, it may operate as a waiver.

(4) A party who has made a waiver affecting an executory portion of a lease contract may retract the waiver by reasonable notification received by the other party that strict performance will be required of any term waived, unless the retraction would be unjust in view of a material change of position in reliance on the waiver.

**PART IV**

**Sec. 401.** RCW 62A.3-104 and 1993 c 229 s 6 are each amended to read as follows:

(a) Except as provided in subsections (c) and (d), "negotiable instrument" means an unconditional promise or order to pay a fixed amount of money, with or without interest or other charges described in the promise or order, if it:

(1) Is payable to bearer or to order at the time it is issued or first comes into possession of a holder;

(2) Is payable on demand or at a definite time; and

(3) Does not state any other undertaking or instruction by the person promising or ordering payment to do any act in addition to the payment of money, but the promise or order may contain (i) an undertaking or power to give, maintain, or protect collateral to secure payment, (ii) an authorization or power to the holder to confess judgment or realize on or dispose of collateral, ((~~or~~)) (iii) a waiver of the benefit of any law intended for the advantage or protection of an obligor, (iv) a term that specifies the law that governs the promise or order, or (v) an undertaking to resolve in a specified forum a dispute concerning the promise or order.

(b) "Instrument" means a negotiable instrument.

(c) An order that meets all of the requirements of subsection (a), except subsection (a)(1), and otherwise falls within the definition of "check" in subsection (f) is a negotiable instrument and a check.

(d) A promise or order other than a check is not an instrument if, at the time it is issued or first comes into possession of a holder, it contains a conspicuous statement, however expressed, to the effect that the promise or order is not negotiable or is not an instrument governed by this Article.

(e) An instrument is a "note" if it is a promise and is a "draft" if it is an order. If an instrument falls within the definition of both "note" and "draft," a person entitled to enforce the instrument may treat it as either.

(f) "Check" means (i) a draft, other than a documentary draft, payable on demand and drawn on a bank, or (ii) a cashier's check or teller's check. An instrument may be a check even though it is described on its face by another term, such as "money order."

(g) "Cashier's check" means a draft with respect to which the drawer and drawee are the same bank or branches of the same bank.

(h) "Teller's check" means a draft drawn by a bank (i) on another bank, or (ii) payable at or through a bank.

(i) "Traveler's check" means an instrument that (i) is payable on demand, (ii) is drawn on or payable at or through a bank, (iii) is designated by the term "traveler's check" or by a substantially similar term, and (iv) requires, as a condition to payment, a countersignature by a person whose specimen signature appears on the instrument.

(j) "Certificate of deposit" means an instrument containing an acknowledgment by a bank that a sum of money has been received by the bank and a promise by the bank to repay the sum of money. A certificate of deposit is a note of the bank.

**Sec. 402.** RCW 62A.3-105 and 1993 c 229 s 7 are each amended to read as follows:

(a) "Issue" means ((~~the~~)):

(1) The first delivery of an instrument by the maker or drawer, whether to a holder or nonholder, for the purpose of giving rights on the instrument to any person; or

(2) If agreed by the payee, the first transmission by the drawer to the payee of an image of an item and information derived

from the item that enables the depositary bank to collect the item by transferring or presenting under federal law an electronic check.

(b) An unissued instrument, or an unissued incomplete instrument that is completed, is binding on the maker or drawer, but nonissuance is a defense. An instrument that is conditionally issued or is issued for a special purpose is binding on the maker or drawer, but failure of the condition or special purpose to be fulfilled is a defense.

(c) "Issuer" applies to issued and unissued instruments and means a maker or drawer of an instrument.

**Sec. 403.** RCW 62A.3-401 and 1993 c 229 s 41 are each amended to read as follows:

((~~(a)~~)) A person is not liable on an instrument unless ((~~(i)~~))(a) the person signed the instrument, or ((~~(ii)~~))(b) the person is represented by an agent or representative who signed the instrument and the signature is binding on the represented person under RCW 62A.3-402.

((~~(b) A signature may be made (i) manually or by means of a device or machine, and (ii) by the use of any name, including a trade or assumed name, or by a word, mark, or symbol executed or adopted by a person with present intention to authenticate a writing.~~))

**Sec. 404.** RCW 62A.3-604 and 1993 c 229 s 74 are each amended to read as follows:

(a) A person entitled to enforce an instrument, with or without consideration, may discharge the obligation of a party to pay the instrument (i) by an intentional voluntary act, such as surrender of the instrument to the party, destruction, mutilation, or cancellation of the instrument, cancellation or striking out of the party's signature, or the addition of words to the instrument indicating discharge, or (ii) by agreeing not to sue or otherwise renouncing rights against the party by a signed writing. The obligation of a party to pay a check is not discharged solely by destruction of the check in connection with a process in which information is extracted from the check and an image of the check is made and, subsequently, the information and image are transmitted for payment.

(b) Cancellation or striking out of an indorsement pursuant to subsection (a) does not affect the status and rights of a party derived from the indorsement.

**PART V**

**Sec. 501.** RCW 62A.4A-103 and 2013 c 118 s 2 are each amended to read as follows:

(a) In this Article:

(1) "Payment order" means an instruction of a sender to a receiving bank, transmitted orally((~~, electronically,~~)) or in ((~~writing~~))a record, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary if:

(i) The instruction does not state a condition to payment to the beneficiary other than time of payment;

(ii) The receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the sender; and

(iii) The instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.

(2) "Beneficiary" means the person to be paid by the beneficiary's bank.

(3) "Beneficiary's bank" means the bank identified in a payment order in which an account of the beneficiary is to be credited pursuant to the order or which otherwise is to make payment to the beneficiary if the order does not provide for payment to an account.

(4) "Receiving bank" means the bank to which the sender's instruction is addressed.

(5) "Sender" means the person giving the instruction to the receiving bank.

(b) If an instruction complying with subsection (a)(1) of this section is to make more than one payment to a beneficiary, the instruction is a separate payment order with respect to each payment.

(c) A payment order is issued when it is sent to the receiving bank.

**Sec. 502.** RCW 62A.4A-201 and 1991 sp.s. c 21 s 4A-201 are each amended to read as follows:

"Security procedure" means a procedure established by agreement of a customer and a receiving bank for the purpose of (1) verifying that a payment order or communication amending or canceling a payment order is that of the customer, or (2) detecting error in the transmission or the content of the payment order or communication. A security procedure may impose an obligation on the receiving bank or the customer and may require the use of algorithms or other codes, identifying words ((~~or~~)), numbers, symbols, sounds, biometrics, encryption, callback procedures, or similar security devices. Comparison of a signature on a payment order or communication with an authorized specimen signature of the customer or requiring a payment order to be sent from a known email address, IP address, or telephone number is not by itself a security procedure.

**Sec. 503.** RCW 62A.4A-202 and 2013 c 118 s 6 are each amended to read as follows:

(a) A payment order received by the receiving bank is the authorized order of the person identified as sender if that person authorized the order or is otherwise bound by it under the law of agency.

(b) If a bank and its customer have agreed that the authenticity of payment orders issued to the bank in the name of the customer as sender will be verified pursuant to a security procedure, a payment order received by the receiving bank is effective as the order of the customer, whether or not authorized, if (i) the security procedure is a commercially reasonable method of providing security against unauthorized

payment orders, and (ii) the bank proves that it accepted the payment order in good faith and in compliance with the bank's obligations under the security procedure and any ((~~written~~)) agreement or instruction of the customer, evidenced by a record, restricting acceptance of payment orders issued in the name of the customer. The bank is not required to follow an instruction that violates a ((~~written~~))an agreement with the customer, evidenced by a record, or notice of which is not received at a time and in a manner affording the bank a reasonable opportunity to act on it before the payment order is accepted.

(c) Commercial reasonableness of a security procedure is a question of law to be determined by considering the wishes of the customer expressed to the bank, the circumstances of the customer known to the bank, including the size, type, and frequency of payment orders normally issued by the customer to the bank, alternative security procedures offered to the customer, and security procedures in general use by customers and receiving banks similarly situated. A security procedure is deemed to be commercially reasonable if (i) the security procedure was chosen by the customer after the bank offered, and the customer refused, a security procedure that was commercially reasonable for that customer, and (ii) the customer expressly agreed in ((~~writing~~))a record to be bound by any payment order, whether or not authorized, issued in its name, and accepted by the bank in compliance with the bank's obligations under the security procedure chosen by the customer.

(d) The term "sender" in this Article includes the customer in whose name a payment order is issued if the order is the authorized order of the customer under subsection (a) of this section, or it is effective as the order of the customer under subsection (b) of this section.

(e) This section applies to amendments and cancellations of payment orders to the same extent it applies to payment orders.

(f) Except as provided in this section and RCW 62A.4A-203(a)(1), rights and obligations arising under this section or RCW 62A.4A-203 may not be varied by agreement.

**Sec. 504.** RCW 62A.4A-203 and 2013 c 118 s 7 are each amended to read as follows:

(a) If an accepted payment order is not, under RCW 62A.4A-202(a), an authorized order of a customer identified as sender, but is effective as an order of the customer pursuant to RCW 62A.4A-202(b), the following rules apply.

(1) By express ((~~written~~)) agreement evidenced by a record, the receiving bank may limit the extent to which it is entitled to enforce or retain payment of the payment order.

(2) The receiving bank is not entitled to enforce or retain payment of the payment order if the customer proves that the order was not caused, directly or indirectly, by a person (i) entrusted at any time with duties to act for the customer with respect to payment orders or the security procedure, or (ii) who obtained access to transmitting facilities of the customer or who obtained, from a source controlled by the customer and without authority of the receiving bank, information facilitating breach of the security procedure, regardless of how the information was obtained or whether the customer was at fault. Information includes any access device, computer software, or the like.

(b) This section applies to amendments of payment orders to the same extent it applies to payment orders.

**Sec. 505.** RCW 62A.4A-207 and 2013 c 118 s 11 are each amended to read as follows:

(a) Subject to subsection (b) of this section, if, in a payment order received by the beneficiary's bank, the name, bank account number, or other identification of the beneficiary refers to a nonexistent or unidentifiable person or account, no person has rights as a beneficiary of the order and acceptance of the order cannot occur.

(b) If a payment order received by the beneficiary's bank identifies the beneficiary both by name and by an identifying or bank account number and the name and number identify different persons, the following rules apply:

(1) Except as otherwise provided in subsection (c) of this section, if the beneficiary's bank does not know that the name and number refer to different persons, it may rely on the number as the proper identification of the beneficiary of the order. The beneficiary's bank need not determine whether the name and number refer to the same person.

(2) If the beneficiary's bank pays the person identified by name or knows that the name and number identify different persons, no person has rights as beneficiary except the person paid by the beneficiary's bank if that person was entitled to receive payment from the originator of the funds transfer. If no person has rights as beneficiary, acceptance of the order cannot occur.

(c) If (i) a payment order described in subsection (b) of this section is accepted, (ii) the originator's payment order described the beneficiary inconsistently by name and number, and (iii) the beneficiary's bank pays the person identified by number as permitted by subsection (b)(1) of this section, the following rules apply:

(1) If the originator is a bank, the originator is obliged to pay its order.

(2) If the originator is not a bank and proves that the person identified by number was not entitled to receive payment from the originator, the originator is not obliged to pay its order unless the originator's bank proves that the originator, before acceptance of the originator's order, had notice that payment of a payment order issued by the originator might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary. Proof of notice may be made by any admissible evidence. The originator's bank satisfies the burden of proof if it proves that the originator,

before the payment order was accepted, signed a ((~~writing~~))record stating the information to which the notice relates.

(d) In a case governed by subsection (b)(1) of this section, if the beneficiary's bank rightfully pays the person identified by number and that person was not entitled to receive payment from the originator, the amount paid may be recovered from that person to the extent allowed by the law governing mistake and restitution as follows:

(1) If the originator is obliged to pay its payment order as stated in subsection (c) of this section, the originator has the right to recover.

(2) If the originator is not a bank and is not obliged to pay its payment order, the originator's bank has the right to recover.

**Sec. 506.** RCW 62A.4A-208 and 2013 c 118 s 12 are each amended to read as follows:

(a) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank only by an identifying number.

(1) The receiving bank may rely on the number as the proper identification of the intermediary or beneficiary's bank and need not determine whether the number identifies a bank.

(2) The sender is obliged to compensate the receiving bank for any loss and expenses incurred by the receiving bank as a result of its reliance on the number in executing or attempting to execute the order.

(b) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank both by name and an identifying number if the name and number identify different persons.

(1) If the sender is a bank, the receiving bank may rely on the number as the proper identification of the intermediary or beneficiary's bank if the receiving bank, when it executes the sender's order, does not know that the name and number identify different persons. The receiving bank need not determine whether the name and number refer to the same person or whether the number refers to a bank. The sender is obliged to compensate the receiving bank for any loss and expenses incurred by the receiving bank as a result of its reliance on the number in executing or attempting to execute the order.

(2) If the sender is not a bank and the receiving bank proves that the sender, before the payment order was accepted, had notice that the receiving bank might rely on the number as the proper identification of the intermediary or beneficiary's bank even if it identifies a person different from the bank identified by name, the rights and obligations of the sender and the receiving bank are governed by subsection (b)(1) of this section, as though the sender were a bank. Proof of notice may be made by any admissible evidence. The receiving bank satisfies the burden of proof if it proves that the sender, before the payment order was accepted, signed a ((~~writing~~))record stating the information to which the notice relates.

(3) Regardless of whether the sender is a bank, the receiving bank may rely on the name as the proper identification of the intermediary or beneficiary's bank if the receiving bank, at the time it executes the sender's order, does not know that the name and number identify different persons. The receiving bank need not determine whether the name and number refer to the same person.

(4) If the receiving bank knows that the name and number identify different persons, reliance on either the name or the number in executing the sender's payment order is a breach of the obligation stated in RCW 62A.4A-302(a)(1).

**Sec. 507.** RCW 62A.4A-210 and 2013 c 118 s 14 are each amended to read as follows:

(a) A payment order is rejected by the receiving bank by a notice of rejection transmitted to the sender orally((~~, electronically,~~)) or in ((~~writing~~))a record. A notice of rejection need not use any particular words and is sufficient if it indicates that the receiving bank is rejecting the order or will not execute or pay the order. Rejection is effective when the notice is given if transmission is by a means that is reasonable in the circumstances. If notice of rejection is given by a means that is not reasonable, rejection is effective when the notice is received. If an agreement of the sender and receiving bank establishes the means to be used to reject a payment order, (i) any means complying with the agreement is reasonable and (ii) any means not complying is not reasonable unless no significant delay in receipt of the notice resulted from the use of the noncomplying means.

(b) This subsection applies if a receiving bank other than the beneficiary's bank fails to execute a payment order despite the existence on the execution date of a withdrawable credit balance in an authorized account of the sender sufficient to cover the order. If the sender does not receive notice of rejection of the order on the execution date and the authorized account of the sender does not bear interest, the bank is obliged to pay interest to the sender on the amount of the order for the number of days elapsing after the execution date to the earlier of the day the order is canceled pursuant to RCW 62A.4A-211(d) or the day the sender receives notice or learns that the order was not executed, counting the final day of the period as an elapsed day. If the withdrawable credit balance during that period falls below the amount of the order, the amount of interest is reduced accordingly.

(c) If a receiving bank suspends payments, all unaccepted payment orders issued to it are deemed rejected at the time the bank suspends payments.

(d) Acceptance of a payment order precludes a later rejection of the order. Rejection of a payment order precludes a later acceptance of the order.

**Sec. 508.** RCW 62A.4A-211 and 2013 c 118 s 15 are each amended to read as follows:

(a) A communication of the sender of a payment order canceling or amending the order may be transmitted to the receiving bank orally((~~, electronically,~~)) or in ((~~writing~~))a record. If a security procedure is in effect between the sender and the receiving bank, the communication is not effective to cancel or amend the order unless the communication is verified pursuant to the security procedure or the bank agrees to the cancellation or amendment.

(b) Subject to subsection (a) of this section, a communication by the sender canceling or amending a payment order is effective to cancel or amend the order if notice of the communication is received at a time and in a manner affording the receiving bank a reasonable opportunity to act on the communication before the bank accepts the payment order.

(c) After a payment order has been accepted, cancellation or amendment of the order is not effective unless the receiving bank agrees or a funds-transfer system rule allows cancellation or amendment without agreement of the bank.

(1) With respect to a payment order accepted by a receiving bank other than the beneficiary's bank, cancellation or amendment is not effective unless a conforming cancellation or amendment of the payment order issued by the receiving bank is also made.

(2) With respect to a payment order accepted by the beneficiary's bank, cancellation or amendment is not effective unless the order was issued in execution of an unauthorized payment order, or because of a mistake by a sender in the funds transfer which resulted in the issuance of a payment order (i) that is a duplicate of a payment order previously issued by the sender, (ii) that orders payment to a beneficiary not entitled to receive payment from the originator, or (iii) that orders payment in an amount greater than the amount the beneficiary was entitled to receive from the originator. If the payment order is canceled or amended, the beneficiary's bank is entitled to recover from the beneficiary any amount paid to the beneficiary to the extent allowed by the law governing mistake and restitution.

(d) An unaccepted payment order is canceled by operation of law at the close of the fifth funds-transfer business day of the receiving bank after the execution date or payment date of the order.

(e) A canceled payment order cannot be accepted. If an accepted payment order is canceled, the acceptance is nullified and no person has any right or obligation based on the acceptance. Amendment of a payment order is deemed to be cancellation of the original order at the time of amendment and issue of a new payment order in the amended form at the same time.

(f) Unless otherwise provided in an agreement of the parties or in a funds-transfer system rule, if the receiving bank, after accepting a payment order, agrees to cancellation or amendment of the order by the sender or is bound by a funds-transfer system rule allowing cancellation or amendment without the bank's agreement, the sender, whether or not cancellation or amendment is effective, is liable to the bank for any loss and expenses, including reasonable attorneys' fees, incurred by the bank as a result of the cancellation or amendment or attempted cancellation or amendment.

(g) A payment order is not revoked by the death or legal incapacity of the sender unless the receiving bank knows of the death or of an adjudication of incapacity by a court of competent jurisdiction and has reasonable opportunity to act before acceptance of the order.

(h) A funds-transfer system rule is not effective to the extent it conflicts with subsection (c)(2) of this section.

**Sec. 509.** RCW 62A.4A-305 and 2013 c 118 s 21 are each amended to read as follows:

(a) If a funds transfer is completed but execution of a payment order by the receiving bank in breach of RCW 62A.4A-302 results in delay in payment to the beneficiary, the bank is obliged to pay interest to either the originator or the beneficiary of the funds transfer for the period of delay caused by the improper execution. Except as provided in subsection (c) of this section, additional damages are not recoverable.

(b) If execution of a payment order by a receiving bank in breach of RCW 62A.4A-302 results in (i) noncompletion of the funds transfer, (ii) failure to use an intermediary bank designated by the originator, or (iii) issuance of a payment order that does not comply with the terms of the payment order of the originator, the bank is liable to the originator for its expenses in the funds transfer and for incidental expenses and interest losses, to the extent not covered by subsection (a) of this section, resulting from the improper execution. Except as provided in subsection (c) of this section, additional damages are not recoverable.

(c) In addition to the amounts payable under subsections (a) and (b) of this section, damages, including consequential damages, are recoverable to the extent provided in an express ((~~written~~)) agreement of the receiving bank, evidenced by a record.

(d) If a receiving bank fails to execute a payment order it was obliged by express agreement to execute, the receiving bank is liable to the sender for its expenses in the transaction and for incidental expenses and interest losses resulting from the failure to execute. Additional damages, including consequential damages, are recoverable to the extent provided in an express ((~~written~~)) agreement of the receiving bank, evidenced by a record, but are not otherwise recoverable.

(e) Reasonable attorneys' fees are recoverable if demand for compensation under subsection (a) or (b) of this section is made and refused before an action is brought on the claim. If a claim is made for breach

of an agreement under subsection (d) of this section and the agreement does not provide for damages, reasonable attorneys' fees are recoverable if demand for compensation under subsection (d) of this section is made and refused before an action is brought on the claim.

(f) Except as stated in this section, the liability of a receiving bank under subsections (a) and (b) of this section may not be varied by agreement.

**PART VI**

**Sec. 601.** RCW 62A.5-104 and 2012 c 214 s 1702 are each amended to read as follows:

A letter of credit, confirmation, advice, transfer, amendment, or cancellation may be issued in any form that is a signed record ((~~and is authenticated (i) by a signature or (ii) in accordance with the agreement of the parties or the standard practice referred to in RCW 62A.5-108(c)~~)).

**Sec. 602.** RCW 62A.5-116 and 2012 c 214 s 1712 are each amended to read as follows:

(a) The liability of an issuer, nominated person, or adviser for action or omission is governed by the law of the jurisdiction chosen by an agreement in the form of a record signed ((~~or otherwise authenticated~~)) by the affected parties ((~~in the manner provided in RCW 62A.5-104~~)) or by a provision in the person's letter of credit, confirmation, or other undertaking. The jurisdiction whose law is chosen need not bear any relation to the transaction.

(b) Unless subsection (a) of this section applies, the liability of an issuer, nominated person, or adviser for action or omission is governed by the law of the jurisdiction in which the person is located. The person is considered to be located at the address indicated in the person's undertaking. If more than one address is indicated, the person is considered to be located at the address from which the person's undertaking was issued.

(c) For the purpose of jurisdiction, choice of law, and recognition of interbranch letters of credit, but not enforcement of a judgment, all branches of a bank are considered separate juridical entities and a bank is considered to be located at the place where its relevant branch is considered to be located under this subsection.

((~~(c)~~))(d) A branch of a bank is considered to be located at the address indicated in the branch's undertaking. If more than one address is indicated, the branch is considered to be located at the address from which the undertaking was issued.

(e) Except as otherwise provided in this subsection, the liability of an issuer, nominated person, or adviser is governed by any rules of custom or practice, such as the Uniform Customs and Practice for Documentary Credits, to which the letter of credit, confirmation, or other undertaking is expressly made subject. If (i) this Article would govern the liability of an issuer, nominated person, or adviser under subsection (a) or (b) of this section, (ii) the relevant undertaking incorporates rules of custom or practice, and (iii) there is conflict between this Article and those rules as applied to that undertaking, those rules govern except to the extent of any conflict with the nonvariable provisions specified in RCW 62A.5-103(c).

((~~(d)~~))(f) If there is conflict between this Article and Article 3, 4, 4A, or 9A, this Article governs.

((~~(e)~~))(g) The forum for settling disputes arising out of an undertaking within this Article may be chosen in the manner and with the binding effect that governing law may be chosen in accordance with subsection (a) of this section.

**PART VII**

**Sec. 701.** RCW 62A.7-102 and 2012 c 214 s 202 are each amended to read as follows:

(a) In this Article, unless the context otherwise requires:

(1) "Bailee" means a person that by a warehouse receipt, bill of lading, or other document of title acknowledges possession of goods and contracts to deliver them.

(2) "Carrier" means a person that issues a bill of lading.

(3) "Consignee" means a person named in a bill of lading to which or to whose order the bill promises delivery.

(4) "Consignor" means a person named in a bill of lading as the person from which the goods have been received for shipment.

(5) "Delivery order" means a record that contains an order to deliver goods directed to a warehouse, carrier, or other person that in the ordinary course of business issues warehouse receipts or bills of lading.

(6) [Reserved.]

(7) "Goods" means all things that are treated as movable for the purposes of a contract for storage or transportation.

(8) "Issuer" means a bailee that issues a document of title or, in the case of an unaccepted delivery order, the person that orders the possessor of goods to deliver. The term includes a person for which an agent or employee purports to act in issuing a document if the agent or employee has real or apparent authority to issue documents, even if the issuer did not receive any goods, the goods were misdescribed, or in any other respect the agent or employee violated the issuer's instructions.

(9) "Person entitled under the document" means the holder, in the case of a negotiable document of title, or the person to which delivery of the goods is to be made by the terms of, or pursuant to instructions in a record under, a nonnegotiable document of title.

(10) [Reserved.]

(11) ((~~"Sign" means, with present intent to authenticate or adopt a record:~~

~~(A) To execute or adopt a tangible symbol; or~~

~~(B) To attach to or logically associate with the record an electronic sound, symbol, or process.~~))[Reserved.]

(12) "Shipper" means a person that enters into a contract of transportation with a carrier.

(13) "Warehouse" means a person engaged in the business of storing goods for hire.

(b) Definitions in other articles applying to this Article and the sections in which they appear are:

(1) "Contract for sale", RCW 62A.2-106;

(2) "Lessee in ordinary course of business," RCW 62A.2A-103; and

(3) "Receipt" of goods, RCW 62A.2-103.

(c) In addition, Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

**Sec. 702.** RCW 62A.7-106 and 2012 c 214 s 206 are each amended to read as follows:

(a) A person has control of an electronic document of title if a system employed for evidencing the transfer of interests in the electronic document reliably establishes that person as the person to which the electronic document was issued or transferred.

(b) A system satisfies subsection (a) of this section, and a person ((~~is deemed to have~~))has control of an electronic document of title, if the document is created, stored, and ((~~assigned~~))transferred in ((~~such~~)) a manner that:

(1) A single authoritative copy of the document exists which is unique, identifiable, and, except as otherwise provided in (4), (5), and (6) of this subsection, unalterable;

(2) The authoritative copy identifies the person asserting control as:

(A) The person to which the document was issued; or

(B) If the authoritative copy indicates that the document has been transferred, the person to which the document was most recently transferred;

(3) The authoritative copy is communicated to and maintained by the person asserting control or its designated custodian;

(4) Copies or amendments that add or change an identified ((~~assignee~~))transferee of the authoritative copy can be made only with the consent of the person asserting control;

(5) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(6) Any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.

(c) A system satisfies subsection (a) of this section, and a person has control of an electronic document of title, if an authoritative electronic copy of the document, a record attached to or logically associated with the electronic copy, or a system in which the electronic copy is recorded:

(1) Enables the person readily to identify each electronic copy as either an authoritative copy or a nonauthoritative copy;

(2) Enables the person readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as the person to which each authoritative electronic copy was issued or transferred; and

(3) Gives the person exclusive power, subject to subsection (d) of this section, to:

(A) Prevent others from adding or changing the person to which each authoritative electronic copy has been issued or transferred; and

(B) Transfer control of each authoritative electronic copy.

(d) Subject to subsection (e) of this section, a power is exclusive under subsection (c)(3)(A) and (B) of this section even if:

(1) The authoritative electronic copy, a record attached to or logically associated with the authoritative electronic copy, or a system in which the authoritative electronic copy is recorded limits the use of the document of title or has a protocol that is programmed to cause a change, including a transfer or loss of control; or

(2) The power is shared with another person.

(e) A power of a person is not shared with another person under subsection (d)(2) of this section and the person's power is not exclusive if:

(1) The person can exercise the power only if the power also is exercised by the other person; and

(2) The other person:

(A) Can exercise the power without exercise of the power by the person; or

(B) Is the transferor to the person of an interest in the document of title.

(f) If a person has the powers specified in subsection (c)(3)(A) and (B) of this section, the powers are presumed to be exclusive.

(g) A person has control of an electronic document of title if another person, other than the transferor to the person of an interest in the document:

(1) Has control of the document and acknowledges that it has control on behalf of the person; or

(2) Obtains control of the document after having acknowledged that it will obtain control of the document on behalf of the person.

(h) A person that has control under this section is not required to acknowledge that it has control on behalf of another person.

(i) If a person acknowledges that it has or will obtain control on behalf of another person, unless the person otherwise agrees or law other than this Article or Article 9 of this title otherwise provides, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

**PART VIII**

**Sec. 801.** RCW 62A.8-102 and 2012 c 214 s 1401 are each amended to read as follows:

(1) In this Article:

(a) "Adverse claim" means a claim that a claimant has a property interest in a financial asset and that it is a violation of the rights of the claimant for another

person to hold, transfer, or deal with the financial asset.

(b) "Bearer form," as applied to a certificated security, means a form in which the security is payable to the bearer of the security certificate according to its terms but not by reason of an indorsement.

(c) "Broker" means a person defined as a broker or dealer under the federal securities laws, but without excluding a bank acting in that capacity.

(d) "Certificated security" means a security that is represented by a certificate.

(e) "Clearing corporation" means:

(i) A person that is registered as a "clearing agency" under the federal securities laws;

(ii) A federal reserve bank; or

(iii) Any other person that provides clearance or settlement services with respect to financial assets that would require it to register as a clearing agency under the federal securities laws but for an exclusion or exemption from the registration requirement, if its activities as a clearing corporation, including adoption of rules, are subject to regulation by a federal or state governmental authority.

(f) "Communicate" means to:

(i) Send a signed ((~~writing~~))record; or

(ii) Transmit information by any mechanism agreed upon by the persons transmitting and receiving the information.

(g) "Entitlement holder" means a person identified in the records of a securities intermediary as the person having a security entitlement against the securities intermediary. If a person acquires a security entitlement by virtue of RCW 62A.8-501(2) (b) or (c), that person is the entitlement holder.

(h) "Entitlement order" means a notification communicated to a securities intermediary directing transfer or redemption of a financial asset to which the entitlement holder has a security entitlement.

(i) "Financial asset," except as otherwise provided in RCW 62A.8-103, means:

(i) A security;

(ii) An obligation of a person or a share, participation, or other interest in a person or in property or an enterprise of a person, which is, or is of a type, dealt in or traded on financial markets, or which is recognized in any area in which it is issued or dealt in as a medium for investment; or

(iii) Any property that is held by a securities intermediary for another person in a securities account if the securities intermediary has expressly agreed with the other person that the property is to be treated as a financial asset under this Article.

As context requires, the term means either the interest itself or the means by which a person's claim to it is evidenced, including a certificated or uncertificated security, a security certificate, or a security entitlement.

(j) [Reserved.]

(k) "Indorsement" means a signature that alone or accompanied by other words is made on a security certificate in registered form or on a separate document for the purpose of assigning, transferring, or redeeming the security or granting a power to assign, transfer, or redeem it.

(l) "Instruction" means a notification communicated to the issuer of an uncertificated security which directs that the transfer of the security be registered or that the security be redeemed.

(m) "Registered form," as applied to a certificated security, means a form in which:

(i) The security certificate specifies a person entitled to the security; and

(ii) A transfer of the security may be registered upon books maintained for that purpose by or on behalf of the issuer, or the security certificate so states.

(n) "Securities intermediary" means:

(i) A clearing corporation; or

(ii) A person, including a bank or broker, that in the ordinary course of its business maintains securities accounts for others and is acting in that capacity.

(o) "Security," except as otherwise provided in RCW 62A.8-103, means an obligation of an issuer or a share, participation, or other interest in an issuer or in property or an enterprise of an issuer:

(i) Which is represented by a security certificate in bearer or registered form, or the transfer of which may be registered upon books maintained for that purpose by or on behalf of the issuer;

(ii) Which is one of a class or series or by its terms is divisible into a class or series of shares, participations, interests, or obligations; and

(iii) Which:

(A) Is, or is of a type, dealt in or traded on securities exchanges or securities markets; or

(B) Is a medium for investment and by its terms expressly provides that it is a security governed by this Article.

(p) "Security certificate" means a certificate representing a security.

(q) "Security entitlement" means the rights and property interest of an entitlement holder with respect to a financial asset specified in Part 5 of this Article.

(r) "Uncertificated security" means a security that is not represented by a certificate.

(2) ((~~Other~~))The following definitions ((~~applying to~~))in this Article and ((~~the sections in which they appear are~~))other articles apply to this Article:

| | |
|---|---|
| Appropriate person | RCW 62A.8-107 |
| Control | RCW 62A.8-106 |
| Controllable account | RCW 62A.9A-102 |
| Controllable electronic record | Section 1002 of this act |
| Controllable payment intangible | RCW 62A.9A-102 |
| Delivery | RCW 62A.8-301 |
| Investment company security | RCW 62A.8-103 |

| | |
|---|---|
| Issuer | RCW 62A.8-201 |
| Overissue | RCW 62A.8-210 |
| Protected purchaser | RCW 62A.8-303 |
| Securities account | RCW 62A.8-501 |

(3) In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

(4) The characterization of a person, business, or transaction for purposes of this Article does not determine the characterization of the person, business, or transaction for purposes of any other law, regulation, or rule.

**Sec. 802.** RCW 62A.8-103 and 2012 c 214 s 1403 are each amended to read as follows:

(1) A share or similar equity interest issued by a corporation, business trust, joint stock company, or similar entity is a security.

(2) An "investment company security" is a security. "Investment company security" means a share or similar equity interest issued by an entity that is registered as an investment company under the federal investment company laws, an interest in a unit investment trust that is so registered, or a face-amount certificate issued by a face-amount certificate company that is so registered. Investment company security does not include an insurance policy or endowment policy or annuity contract issued by an insurance company.

(3) An interest in a partnership or limited liability company is not a security unless it is dealt in or traded on securities exchanges or in securities markets, its terms expressly provide that it is a security governed by this Article, or it is an investment company security. However, an interest in a partnership or limited liability company is a financial asset if it is held in a securities account.

(4) A writing that is a security certificate is governed by this Article and not by Article 3, even though it also meets the requirements of that Article. However, a negotiable instrument governed by Article 3 is a financial asset if it is held in a securities account.

(5) An option or similar obligation issued by a clearing corporation to its participants is not a security, but is a financial asset.

(6) A commodity contract, as defined in RCW 62A.9A-102, is not a security or a financial asset.

(7) A document of title is not a financial asset unless RCW 62A.8-102(1)(i)(iii) applies.

(8) A controllable account, controllable electronic record, or controllable payment intangible is not a financial asset unless RCW 62A.8-102(1)(i)(iii) applies.

**Sec. 803.** RCW 62A.8-106 and 2000 c 250 s 9A-816 are each amended to read as follows:

(1) A purchaser has "control" of a certificated security in bearer form if the certificated security is delivered to the purchaser.

(2) A purchaser has "control" of a certificated security in registered form if the certificated security is delivered to the purchaser, and:

(a) The certificate is indorsed to the purchaser or in blank by an effective indorsement; or

(b) The certificate is registered in the name of the purchaser, upon original issue or registration of transfer by the issuer.

(3) A purchaser has "control" of an uncertificated security if:

(a) The uncertificated security is delivered to the purchaser; or

(b) The issuer has agreed that it will comply with instructions originated by the purchaser without further consent by the registered owner.

(4) A purchaser has "control" of a security entitlement if:

(a) The purchaser becomes the entitlement holder;

(b) The securities intermediary has agreed that it will comply with entitlement orders originated by the purchaser without further consent by the entitlement holder; or

(c) Another person ((~~has control of the security entitlement on behalf of the purchaser or, having previously acquired control of the security entitlement, acknowledges that it has control on behalf of the purchaser~~)), other than the transferor to the purchaser of an interest in the security entitlement:

(i) Has control of the security entitlement and acknowledges that it has control on behalf of the purchaser; or

(ii) Obtains control of the security entitlement after having acknowledged that it will obtain control of the security entitlement on behalf of the purchaser.

(5) If an interest in a security entitlement is granted by the entitlement holder to the entitlement holder's own securities intermediary, the securities intermediary has control.

(6) A purchaser who has satisfied the requirements of subsection (3) or (4) of this section has control even if the registered owner in the case of subsection (3) of this section or the entitlement holder in the case of subsection (4) of this section retains the right to make substitutions for the uncertificated security or security entitlement, to originate instructions or entitlement orders to the issuer or securities intermediary, or otherwise to deal with the uncertificated security or security entitlement.

(7) An issuer or a securities intermediary may not enter into an agreement of the kind described in subsection (3)(b) or (4)(b) of this section without the consent of the registered owner or entitlement holder, but an issuer or a securities intermediary is not required to enter into such an agreement even though the registered owner or entitlement holder so directs. An issuer or securities intermediary that has entered into such an agreement is not required to confirm the existence of the agreement to another party

unless requested to do so by the registered owner or entitlement holder.

(8) A person that has control under this section is not required to acknowledge that it has control on behalf of a purchaser.

(9) If a person acknowledges that it has or will obtain control on behalf of a purchaser, unless the person otherwise agrees or law other than this Article or Article 9A of this title otherwise provides, the person does not owe any duty to the purchaser and is not required to confirm the acknowledgment to any other person.

**Sec. 804.** RCW 62A.8-110 and 2001 c 32 s 14 are each amended to read as follows:

(1) The local law of the issuer's jurisdiction, as specified in subsection (4) of this section, governs:

(a) The validity of a security;

(b) The rights and duties of the issuer with respect to registration of transfer;

(c) The effectiveness of registration of transfer by the issuer;

(d) Whether the issuer owes any duties to an adverse claimant to a security; and

(e) Whether an adverse claim can be asserted against a person to whom transfer of a certificated or uncertificated security is registered or a person who obtains control of an uncertificated security.

(2) The local law of the securities intermediary's jurisdiction, as specified in subsection (5) of this section, governs:

(a) Acquisition of a security entitlement from the securities intermediary;

(b) The rights and duties of the securities intermediary and entitlement holder arising out of a security entitlement;

(c) Whether the securities intermediary owes any duties to an adverse claimant to a security entitlement; and

(d) Whether an adverse claim can be asserted against a person who acquires a security entitlement from the securities intermediary or a person who purchases a security entitlement or interest therein from an entitlement holder.

(3) The local law of the jurisdiction in which a security certificate is located at the time of delivery governs whether an adverse claim can be asserted against a person to whom the security certificate is delivered.

(4) "Issuer's jurisdiction" means the jurisdiction under which the issuer of the security is organized or, if permitted by the law of that jurisdiction, the law of another jurisdiction specified by the issuer. An issuer organized under the law of this state may specify the law of another jurisdiction as the law governing the matters specified in subsection (1)(b) through (e) of this section.

(5) The following rules determine a "securities intermediary's jurisdiction" for purposes of this section:

(a) If an agreement between the securities intermediary and its entitlement holder governing the securities account expressly provides that a particular jurisdiction is the securities intermediary's jurisdiction for purposes of this part, this Article, or Article 62A.9A RCW, that jurisdiction is the securities intermediary's jurisdiction.

(b) If (a) of this subsection does not apply and an agreement between the securities intermediary and its entitlement holder governing the securities account expressly provides that the agreement is governed by the law of a particular jurisdiction, that jurisdiction is the securities intermediary's jurisdiction.

(c) If neither (a) nor (b) of this subsection applies, and an agreement between the securities intermediary and its entitlement holder governing the securities account expressly provides that the securities account is maintained at an office in a particular jurisdiction, that jurisdiction is the securities intermediary's jurisdiction.

(d) If (a), (b), and (c) of this subsection do not apply, the securities intermediary's jurisdiction is the jurisdiction in which the office identified in an account statement as the office serving the entitlement holder's account is located.

(e) If (a), (b), (c), and (d) of this subsection do not apply, the securities intermediary's jurisdiction is the jurisdiction in which the chief executive office of the securities intermediary is located.

(6) A securities intermediary's jurisdiction is not determined by the physical location of certificates representing financial assets, or by the jurisdiction in which is organized the issuer of the financial asset with respect to which an entitlement holder has a security entitlement, or by the location of facilities for data processing or other recordkeeping concerning the account.

(7) The local law of the issuer's jurisdiction or the securities intermediary's jurisdiction governs a matter or transaction specified in subsection (1) or (2) of this section even if the matter or transaction does not bear any relation to the jurisdiction.

**Sec. 805.** RCW 62A.8-303 and 1995 c 48 s 29 are each amended to read as follows:

(1) "Protected purchaser" means a purchaser of a certificated or uncertificated security, or of an interest therein, who:

(a) Gives value;

(b) Does not have notice of any adverse claim to the security; and

(c) Obtains control of the certificated or uncertificated security.

(2) ((~~In addition to acquiring the rights of a purchaser, a~~))A protected purchaser also acquires its interest in the security free of any adverse claim.

**PART IX**

**Sec. 901.** RCW 62A.9A-102 and 2012 c 214 s 1502 are each amended to read as follows:

(a) **Article 9A definitions.** In this Article:

(1) "Accession" means goods that are physically united with other goods in such a manner that the identity of the original goods is not lost.

(2)(A) "Account," except as used in "account for," "account statement," "account to," "commodity account" in (14) of this subsection, "customer's account," "deposit account" in (29) of this subsection, "on account of," and "statement of account," means a right to payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (ii) for services rendered or to be rendered, (iii) for a policy of insurance issued or to be issued, (iv) for a secondary obligation incurred or to be incurred, (v) for energy provided or to be provided, (vi) for the use or hire of a vessel under a charter or other contract, (vii) arising out of the use of a credit or charge card or information contained on or for use with the card, or (viii) as winnings in a lottery or other game of chance operated or sponsored by a state, governmental unit of a state, or person licensed or authorized to operate the game by a state or governmental unit of a state. The term includes controllable accounts and health-care-insurance receivables.

(B) The term does not include (i) ((~~rights to payment evidenced by chattel paper or an instrument~~))chattel paper, (ii) commercial tort claims, (iii) deposit accounts, (iv) investment property, (v) letter-of-credit rights or letters of credit, ((~~or~~)) (vi) rights to payment for money or funds advanced or sold, other than rights arising out of the use of a credit or charge card or information contained on or for use with the card, or (vii) rights to payment evidenced by an instrument.

(3) "Account debtor" means a person obligated on an account, chattel paper, or general intangible. The term does not include persons obligated to pay a negotiable instrument, even if the negotiable instrument ((~~constitutes part of~~))evidences chattel paper.

(4) "Accounting," except as used in "accounting for," means a record:

(A) ((~~Authenticated~~))Signed by a secured party;

(B) Indicating the aggregate unpaid secured obligations as of a date not more than ((~~thirty-five~~))35 days earlier or ((~~thirty-five~~))35 days later than the date of the record; and

(C) Identifying the components of the obligations in reasonable detail.

(5) "Agricultural lien" means an interest, other than a security interest, in farm products:

(A) Which secures payment or performance of an obligation for:

(i) Goods or services furnished in connection with a debtor's farming operation; or

(ii) Rent on real property leased by a debtor in connection with its farming operation;

(B) Which is created by statute in favor of a person that:

(i) In the ordinary course of its business, furnished goods or services to a debtor in connection with a debtor's farming operation; or

(ii) Leased real property to a debtor in connection with the debtor's farming operation; and

(C) Whose effectiveness does not depend on the person's possession of the personal property.

(6) "As-extracted collateral" means:

(A) Oil, gas, or other minerals that are subject to a security interest that:

(i) Is created by a debtor having an interest in the minerals before extraction; and

(ii) Attaches to the minerals as extracted; or

(B) Accounts arising out of the sale at the wellhead or minehead of oil, gas, or other minerals in which the debtor had an interest before extraction.

(7) ((~~"Authenticate" means:~~

~~(A) To sign; or~~

~~(B) With present intent to adopt or accept a record, to attach to or logically associate with the record an electronic sound, symbol, or process.~~))[Reserved.]

(7A) "Assignee," except as used in "assignee for benefit of creditors," means a person (i) in whose favor a security interest that secures an obligation is created or provided for under a security agreement, whether or not the obligation is outstanding or (ii) to which an account, chattel paper, payment intangible, or promissory note has been sold. The term includes a person to which a security interest has been transferred by a secured party.

(7B) "Assignor" means a person that (i) under a security agreement creates or provides for a security interest that secures an obligation or (ii) sells an account, chattel paper, payment intangible, or promissory note. The term includes a secured party that has transferred a security interest to another person.

(8) "Bank" means an organization that is engaged in the business of banking. The term includes savings banks, savings and loan associations, credit unions, and trust companies.

(9) "Cash proceeds" means proceeds that are money, checks, deposit accounts, or the like.

(10) "Certificate of title" means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral. The term includes another record maintained as an alternative to a certificate of title by the governmental unit that issues certificates of title if a statute permits the security interest in question to be indicated on the record as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

(11) "Chattel paper" means ((~~a record or records that evidence both a monetary obligation and a security interest in~~

~~specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this subsection, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term "chattel paper" does not include (i) charters or other contracts involving the use or hire of a vessel or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper~~)):

(A) A right to payment of a monetary obligation secured by specific goods, if the right to payment and security agreement are evidenced by a record; or

(B) A right to payment of a monetary obligation owed by a lessee under a lease agreement with respect to specific goods and a monetary obligation owed by the lessee in connection with the transaction giving rise to the lease, if:

(i) The right to payment and lease agreement are evidenced by a record; and

(ii) The predominant purpose of the transaction giving rise to the lease was to give the lessee the right to possession and use of the goods.

The term does not include a right to payment arising out of a charter or other contract involving the use or hire of a vessel or a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(12) "Collateral" means the property subject to a security interest or agricultural lien. The term includes:

(A) Proceeds to which a security interest attaches;

(B) Accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and

(C) Goods that are the subject of a consignment.

(13) "Commercial tort claim" means a claim arising in tort with respect to which:

(A) The claimant is an organization; or

(B) The claimant is an individual, and the claim:

(i) Arose in the course of the claimant's business or profession; and

(ii) Does not include damages arising out of personal injury to, or the death of, an individual.

(14) "Commodity account" means an account maintained by a commodity intermediary in which a commodity contract is carried for a commodity customer.

(15) "Commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or another contract if the contract or option is:

(A) Traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to federal commodities laws; or

(B) Traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

(16) "Commodity customer" means a person for which a commodity intermediary carries a commodity contract on its books.

(17) "Commodity intermediary" means a person that:

(A) Is registered as a futures commission merchant under federal commodities law; or

(B) In the ordinary course of its business, provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities law.

(18) "Communicate" means:

(A) To send a written or other tangible record;

(B) To transmit a record by any means agreed upon by the persons sending and receiving the record; or

(C) In the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to which goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and:

(A) The merchant:

(i) Deals in goods of that kind under a name other than the name of the person making delivery;

(ii) Is not an auctioneer; and

(iii) Is not generally known by its creditors to be substantially engaged in selling the goods of others;

(B) With respect to each delivery, the aggregate value of the goods is one thousand dollars or more at the time of delivery;

(C) The goods are not consumer goods immediately before delivery; and

(D) The transaction does not create a security interest that secures an obligation.

(21) "Consignor" means a person that delivers goods to a consignee in a consignment.

(22) "Consumer debtor" means a debtor in a consumer transaction.

(23) "Consumer goods" means goods that are used or bought for use primarily for personal, family, or household purposes.

(24) "Consumer-goods transaction" means a consumer transaction in which:

(A) An individual incurs a consumer obligation; and

(B) A security interest in consumer goods secures the obligation.

(25) "Consumer obligation" means an obligation which:

(A) Is incurred as part of a transaction entered into primarily for personal, family, or household purposes; and

(B) Arises from an extension of credit, or commitment to extend credit, in an aggregate amount not exceeding forty thousand dollars, or is secured by personal property used or expected to be used as a principal dwelling.

"Consumer obligor" means an obligor who is an individual and who incurred a consumer obligation.

(26) "Consumer transaction" means a transaction in which (i) an individual incurs a consumer obligation, (ii) a security interest secures the obligation, and (iii) the collateral is held or acquired primarily for personal, family, or household purposes. The term includes consumer-goods transactions.

(27) "Continuation statement" means an amendment of a financing statement which:

(A) Identifies, by its file number, the initial financing statement to which it relates; and

(B) Indicates that it is a continuation statement for, or that it is filed to continue the effectiveness of, the identified financing statement.

(27A) "Controllable account" means an account evidenced by a controllable electronic record that provides that the account debtor undertakes to pay the person that has control under section 1005 of this act of the controllable electronic record.

(27B) "Controllable payment intangible" means a payment intangible evidenced by a controllable electronic record that provides that the account debtor undertakes to pay the person that has control under section 1005 of this act of the controllable electronic record.

(28) "Debtor" means:

(A) A person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;

(B) A seller of accounts, chattel paper, payment intangibles, or promissory notes; or

(C) A consignee.

(29) "Deposit account" means a demand, time, savings, passbook, or similar account maintained with a bank. The term does not include investment property or accounts evidenced by an instrument.

(30) "Document" means a document of title or a receipt of the type described in RCW 62A.7-201(b).

(31) ((~~"Electronic chattel paper" means chattel paper evidenced by a record or records consisting of information stored in an electronic medium.~~))[Reserved.]

(31A) "Electronic money" means money in an electronic form.

(32) "Encumbrance" means a right, other than an ownership interest, in real property. The term includes mortgages and other liens on real property.

(33) "Equipment" means goods other than inventory, farm products, or consumer goods.

(34) "Farm products" means goods, other than standing timber, with respect to which the debtor is engaged in a farming operation and which are:

(A) Crops grown, growing, or to be grown, including:

(i) Crops produced on trees, vines, and bushes; and

(ii) Aquatic goods produced in aquacultural operations;

(B) Livestock, born or unborn, including aquatic goods produced in aquacultural operations;

(C) Supplies used or produced in a farming operation; or

(D) Products of crops or livestock in their unmanufactured states.

(35) "Farming operation" means raising, cultivating, propagating, fattening, grazing, or any other farming, livestock, or aquacultural operation.

(36) "File number" means the number assigned to an initial financing statement pursuant to RCW 62A.9A-519(a).

(37) "Filing office" means an office designated in RCW 62A.9A-501 as the place to file a financing statement.

(38) "Filing-office rule" means a rule adopted pursuant to RCW 62A.9A-526.

(39) "Financing statement" means a record or records composed of an initial financing statement and any filed record relating to the initial financing statement.

(40) "Fixture filing" means the filing of a financing statement covering goods that are or are to become fixtures and satisfying RCW 62A.9A-502 (a) and (b). The term includes the filing of a financing statement covering goods of a transmitting utility which are or are to become fixtures.

(41) "Fixtures" means goods that have become so related to particular real property that an interest in them arises under real property law.

(42) "General intangible" means any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. The term includes controllable electronic records, payment intangibles, and software.

(43) [Reserved.]

(44) "Goods" means all things that are movable when a security interest attaches. The term includes (i) fixtures, (ii) standing timber that is to be cut and removed under a conveyance or contract for sale, (iii) the unborn young of animals, (iv) crops grown, growing, or to be grown, even if the crops are produced on trees, vines, or bushes, and (v) manufactured homes. The term also includes a computer program embedded in goods and any supporting information provided in connection with a transaction relating to the program if (i) the program is associated with the goods in such a manner that it customarily is considered part of the goods, or (ii) by becoming the owner of the goods, a person acquires a right to use the program in connection with the goods. The term does not include a computer program embedded in goods that consist solely of the medium in which the program is embedded. The term also does not include accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, instruments, investment property, letter-of-credit rights, letters of credit, money, or oil, gas, or other minerals before extraction or a manufactured home converted to real property under chapter 65.20 RCW.

(45) "Governmental unit" means a subdivision, agency, department, county, parish, municipality, or other unit of the government of the United States, a state, or a foreign country. The term includes an organization having a separate corporate

existence if the organization is eligible to issue debt on which interest is exempt from income taxation under the laws of the United States.

(46) "Health-care-insurance receivable" means an interest in or claim under a policy of insurance which is a right to payment of a monetary obligation for health-care goods or services provided.

(47) "Instrument" means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment. The term does not include (i) investment property, (ii) letters of credit, (iii) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card, (iv) writings that do not contain a promise or order to pay, ((~~or~~)) (v) writings that are expressly nontransferable or nonassignable, or (vi) writings that evidence chattel paper.

(48) "Inventory" means goods, other than farm products, which:

(A) Are leased by a person as lessor;

(B) Are held by a person for sale or lease or to be furnished under a contract of service;

(C) Are furnished by a person under a contract of service; or

(D) Consist of raw materials, work in process, or materials used or consumed in a business.

(49) "Investment property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(50) "Jurisdiction of organization," with respect to a registered organization, means the jurisdiction under whose law the organization is formed or organized.

(51) "Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance. The term does not include the right of a beneficiary to demand payment or performance under a letter of credit.

(52) "Lien creditor" means:

(A) A creditor that has acquired a lien on the property involved by attachment, levy, or the like;

(B) An assignee for benefit of creditors from the time of assignment;

(C) A trustee in bankruptcy from the date of the filing of the petition; or

(D) A receiver in equity from the time of appointment.

(53) "Manufactured home" means a manufactured home or mobile home as defined in RCW 46.04.302.

(54) [Reserved.]

(54A) "Money" has the meaning in RCW 62A.1-201(b)(24), but does not include (i) a deposit account or (ii) money in an electronic form that cannot be subjected to control under section 904 of this act.

(55) "Mortgage" means a consensual interest in real property, including fixtures, which secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as debtor under RCW 62A.9A-203(d) by a security agreement previously entered into by another person.

(57) "New value" means (i) money, (ii) money's worth in property, services, or new credit, or (iii) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

(58) "Noncash proceeds" means proceeds other than cash proceeds.

(59) "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property other than the collateral to secure payment or other performance of the obligation, or (iii) is otherwise accountable in whole or in part for payment or other performance of the obligation. The term does not include issuers or nominated persons under a letter of credit.

(60) "Original debtor", except as used in RCW 62A.9A-310(c), means a person that, as debtor, entered into a security agreement to which a new debtor has become bound under RCW 62A.9A-203(d).

(61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation. The term includes a controllable payment intangible.

(62) "Person related to," with respect to an individual, means:

(A) The spouse or state registered domestic partner of the individual;

(B) A brother, brother-in-law, sister, or sister-in-law of the individual;

(C) An ancestor or lineal descendant of the individual or the individual's spouse or state registered domestic partner; or

(D) Any other relative, by blood or by marriage or other law, of the individual or the individual's spouse or state registered domestic partner who shares the same home with the individual.

(63) "Person related to," with respect to an organization, means:

(A) A person directly or indirectly controlling, controlled by, or under common control with the organization;

(B) An officer or director of, or a person performing similar functions with respect to, the organization;

(C) An officer or director of, or a person performing similar functions with respect to, a person described in (63)(A) of this subsection;

(D) The spouse or state registered domestic partner of an individual described in (63)(A), (B), or (C) of this subsection; or

(E) An individual who is related by blood or by marriage or other law to an individual described in (63)(A), (B), (C), or (D) of this subsection and shares the same home with the individual.

(64) "Proceeds", except as used in RCW 62A.9A-609(b), means the following property:

(A) Whatever is acquired upon the sale, lease, license, exchange, or other disposition of collateral;

(B) Whatever is collected on, or distributed on account of, collateral;

(C) Rights arising out of collateral;

(D) To the extent of the value of collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to, the collateral; or

(E) To the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the collateral.

(65) "Promissory note" means an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds.

(66) "Proposal" means a record ((~~authenticated~~))signed by a secured party, which includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to RCW 62A.9A-620, 62A.9A-621, and 62A.9A-622.

(67) "Public-finance transaction" means a secured transaction in connection with which:

(A) Debt securities are issued;

(B) All or a portion of the securities issued have an initial stated maturity of at least twenty years; and

(C) The debtor, obligor, secured party, account debtor or other person obligated on collateral, assignor or assignee of a secured obligation, or assignor or assignee of a security interest is a state or a governmental unit of a state.

(68) "Public organic record" means a record that is available to the public for inspection and is:

(A) A record consisting of the record initially filed with or issued by a state or the United States to form or organize an organization and any record filed with or issued by the state or the United States which amends or restates the initial record;

(B) An organic record of a business trust consisting of the record initially filed with a state and any record filed with the state which amends or restates the initial record, if a statute of the state governing business trusts requires that the record be filed with the state; or

(C) A record consisting of legislation enacted by the legislature of a state or the congress of the United States which forms or organizes an organization, any record amending the legislation, and any record filed with or issued by the state or the United States which amends or restates the name of the organization.

(69) "Pursuant to commitment," with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of default or other event not within the secured party's control has relieved or may relieve the secured party from its obligation.

(70) "Record," except as used in "for record," "of record," "record or legal title," and "record owner," means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form.

(71) "Registered organization" means an organization formed or organized solely under the law of a single state or the United States by the filing of a public organic record with, the issuance of a public organic record by, or the enactment of legislation by the state or the United States. The term includes a business trust that is formed or organized under the law of a single state if a statute of the state governing business trusts requires that the business trust's organic record be filed with the state.

(72) "Secondary obligor" means an obligor to the extent that:

(A) The obligor's obligation is secondary; or

(B) The obligor has a right of recourse with respect to an obligation secured by collateral against the debtor, another obligor, or property of either.

(73) "Secured party" means:

(A) A person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;

(B) A person that holds an agricultural lien;

(C) A consignor;

(D) A person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold;

(E) A trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or

(F) A person that holds a security interest arising under RCW 62A.2-401, 62A.2-505, 62A.2-711(3), 62A.2A-508(5), 62A.4-210, or 62A.5-118.

(74) "Security agreement" means an agreement that creates or provides for a security interest.

(75) ((~~"Send," in connection with a record or notification, means:~~

~~(A) To deposit in the mail, deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for, addressed to any address reasonable under the circumstances; or~~

~~(B) To cause the record or notification to be received within the time that it would have been received if properly sent under (75)(A) of this subsection.~~))[Reserved.]

(76) "Software" means a computer program and any supporting information provided in connection with a transaction relating to the program. The term does not include a computer program that is included in the definition of goods.

(77) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(78) "Supporting obligation" means a letter-of-credit right or secondary

obligation that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument, or investment property.

(79) ((~~"Tangible chattel paper" means chattel paper evidenced by a record or records consisting of information that is inscribed on a tangible medium.~~))[Reserved.]

(79A) "Tangible money" means money in a tangible form.

(80) "Termination statement" means an amendment of a financing statement which:

(A) Identifies, by its file number, the initial financing statement to which it relates; and

(B) Indicates either that it is a termination statement or that the identified financing statement is no longer effective.

(81) "Transmitting utility" means a person primarily engaged in the business of:

(A) Operating a railroad, subway, street railway, or trolley bus;

(B) Transmitting communications electrically, electromagnetically, or by light;

(C) Transmitting goods by pipeline or sewer; or

(D) Transmitting or producing and transmitting electricity, steam, gas, or water.

(b) **Definitions in other articles.** "Control" as provided in RCW 62A.7-106 and the following definitions in other articles apply to this Article:

| | |
|---|---|
| "Applicant." | RCW 62A.5-102. |
| "Beneficiary." | RCW 62A.5-102. |
| "Broker." | RCW 62A.8-102. |
| "Certificated security." | RCW 62A.8-102. |
| "Check." | RCW 62A.3-104. |
| "Clearing corporation." | RCW 62A.8-102. |
| "Contract for sale." | RCW 62A.2-106. |
| "Controllable electronic record." | Section 1002 of this act. |
| "Customer." | RCW 62A.4-104. |
| "Entitlement holder." | RCW 62A.8-102. |
| "Financial asset." | RCW 62A.8-102. |
| "Holder in due course." | RCW 62A.3-302. |
| "Issuer" with respect to documents of title. | RCW 62A.7-102. |
| "Issuer" with respect to a letter of credit or letter-of-credit right. | RCW 62A.5-102. |
| "Issuer" with respect to a security. | RCW 62A.8-201. |
| "Lease." | RCW 62A.2A-103. |
| "Lease agreement." | RCW 62A.2A-103. |
| "Lease contract." | RCW 62A.2A-103. |
| "Leasehold interest." | RCW 62A.2A-103. |
| "Lessee." | RCW 62A.2A-103. |
| "Lessee in ordinary course of business." | RCW 62A.2A-103. |
| "Lessor." | RCW 62A.2A-103. |
| "Lessor's residual interest." | RCW 62A.2A-103. |
| "Letter of credit." | RCW 62A.5-102. |
| "Merchant." | RCW 62A.2-104. |
| "Negotiable instrument." | RCW 62A.3-104. |
| "Nominated person." | RCW 62A.5-102. |
| "Note." | RCW 62A.3-104. |
| "Proceeds of a letter of credit." | RCW 62A.5-114. |
| "Protected purchaser." | RCW 62A.8-303. |
| "Prove." | RCW 62A.3-103. |
| "Qualifying purchaser." | Section 1002 of this act. |
| "Sale." | RCW 62A.2-106. |
| "Securities account." | RCW 62A.8-501. |
| "Securities intermediary." | RCW 62A.8-102. |
| "Security." | RCW 62A.8-102. |
| "Security certificate." | RCW 62A.8-102. |
| "Security entitlement." | RCW 62A.8-102. |
| "Uncertificated security." | RCW 62A.8-102. |

(c) **Article 1 definitions and principles.** Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

**Sec. 902.** RCW 62A.9A-104 and 2001 c 32 s 17 are each amended to read as follows:

(a) **Requirements for control.** A secured party has control of a deposit account if:

(1) The secured party is the bank with which the deposit account is maintained;

(2) The debtor, secured party, and bank have agreed in ((~~an authenticated~~))a signed record that the bank will comply with instructions originated by the secured party directing disposition of the funds in the deposit account without further consent by the debtor; ((~~or~~))

(3) The secured party becomes the bank's customer with respect to the deposit account; or

(4) Another person, other than the debtor:

(A) Has control of the deposit account and acknowledges that it has control on behalf of the secured party; or

(B) Obtains control of the deposit account after having acknowledged that it will obtain control of the deposit account on behalf of the secured party.

(b) **Debtor's right to direct disposition.** A secured party that has satisfied subsection (a) of this section has control, even if the debtor retains the right to direct the disposition of funds from the deposit account.

**Sec. 903.** RCW 62A.9A-105 and 2011 c 74 s 102 are each amended to read as follows:

(a) **General rule: Control of electronic copy of record evidencing chattel paper.**((~~A secured party has control of electronic chattel paper if a system employed for evidencing the transfer of interests in the chattel paper reliably establishes the secured party as the person to which the chattel paper was assigned.~~

~~(b) **Specific facts giving control.** A system satisfies subsection (a) of this section if the record or records comprising the chattel paper are created, stored, and assigned in such a manner that:~~

~~(1) A single authoritative copy of the record or records exists which is unique, identifiable and, except as otherwise provided in (4), (5), and (6) of this subsection, unalterable;~~

~~(2) The authoritative copy identifies the secured party as the assignee of the record or records;~~

~~(3) The authoritative copy is communicated to and maintained by the secured party or its designated custodian;~~

~~(4) Copies or amendments that add or change an identified assignee of the authoritative copy can be made only with the consent of the secured party;~~

~~(5) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and~~

~~(6) Any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.~~))A purchaser has control of an authoritative electronic copy of a record evidencing chattel paper if a system employed for evidencing the assignment of interests in the chattel paper reliably establishes the purchaser as the person to which the authoritative electronic copy was assigned.

(b) **Single authoritative copy.** A system satisfies subsection (a) of this section if the record or records evidencing the chattel paper are created, stored, and assigned in a manner that:

(1) A single authoritative copy of the record or records exists which is unique, identifiable, and, except as otherwise provided in (4), (5), and (6) of this subsection, unalterable;

(2) The authoritative copy identifies the purchaser as the assignee of the record or records;

(3) The authoritative copy is communicated to and maintained by the purchaser or its designated custodian;

(4) Copies or amendments that add or change an identified assignee of the authoritative copy can be made only with the consent of the purchaser;

(5) Each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(6) Any amendment of the authoritative copy is readily identifiable as authorized or unauthorized.

(c) **One or more authoritative copies.** A system satisfies subsection (a) of this section, and a purchaser has control of an authoritative electronic copy of a record evidencing chattel paper, if the electronic copy, a record attached to or logically associated with the electronic copy, or a system in which the electronic copy is recorded:

(1) Enables the purchaser readily to identify each electronic copy as either an authoritative copy or a nonauthoritative copy;

(2) Enables the purchaser readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as the assignee of the authoritative electronic copy; and

(3) Gives the purchaser exclusive power, subject to subsection (d) of this section, to:

(A) Prevent others from adding or changing an identified assignee of the authoritative electronic copy; and

(B) Transfer control of the authoritative electronic copy.

(d) **Meaning of exclusive.** Subject to subsection (e) of this section, a power is exclusive under subsection (c)(3)(A) and (B) of this section even if:

(1) The authoritative electronic copy, a record attached to or logically associated with the authoritative electronic copy, or a system in which the authoritative electronic copy is recorded limits the use of the authoritative electronic copy or has a protocol programmed to cause a change, including a transfer or loss of control; or

(2) The power is shared with another person.

(e) **When power not shared with another person.** A power of a purchaser is not shared with another person under subsection (d)(2) of this section and the purchaser's power is not exclusive if:

(1) The purchaser can exercise the power only if the power also is exercised by the other person; and

(2) The other person:

(A) Can exercise the power without exercise of the power by the purchaser; or

(B) Is the transferor to the purchaser of an interest in the chattel paper.

(f) **Presumption of exclusivity of certain powers.** If a purchaser has the powers specified in subsection (c)(3)(A) and (B) of this section, the powers are presumed to be exclusive.

(g) **Obtaining control through another person.** A purchaser has control of an authoritative electronic copy of a record evidencing chattel paper if another person, other than the transferor to the purchaser of an interest in the chattel paper:

(1) Has control of the authoritative electronic copy and acknowledges that it has control on behalf of the purchaser; or

(2) Obtains control of the authoritative electronic copy after having acknowledged

that it will obtain control of the electronic copy on behalf of the purchaser.

NEW SECTION. **Sec. 904.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-105A: CONTROL OF ELECTRONIC MONEY. (a) **General rule: Control of electronic money.** A person has control of electronic money if:

(1) The electronic money, a record attached to or logically associated with the electronic money, or a system in which the electronic money is recorded gives the person:

(A) Power to avail itself of substantially all the benefit from the electronic money; and

(B) Exclusive power, subject to subsection (b) of this section, to:

(i) Prevent others from availing themselves of substantially all the benefit from the electronic money; and

(ii) Transfer control of the electronic money to another person or cause another person to obtain control of other electronic money as a result of the transfer of the electronic money; and

(2) The electronic money, a record attached to or logically associated with the electronic money, or a system in which the electronic money is recorded enables the person readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as having the powers under (1) of this subsection.

(b) **Meaning of exclusive.** Subject to subsection (c) of this section, a power is exclusive under subsection (a)(1)(B)(i) and (ii) of this section even if:

(1) The electronic money, a record attached to or logically associated with the electronic money, or a system in which the electronic money is recorded limits the use of the electronic money or has a protocol programmed to cause a change, including a transfer or loss of control; or

(2) The power is shared with another person.

(c) **When power not shared with another person.** A power of a person is not shared with another person under subsection (b)(2) of this section and the person's power is not exclusive if:

(1) The person can exercise the power only if the power also is exercised by the other person; and

(2) The other person:

(A) Can exercise the power without exercise of the power by the person; or

(B) Is the transferor to the person of an interest in the electronic money.

(d) **Presumption of exclusivity of certain powers.** If a person has the powers specified in subsection (a)(1)(B)(i) and (ii) of this section, the powers are presumed to be exclusive.

(e) **Control through another person.** A person has control of electronic money if another person, other than the transferor to the person of an interest in the electronic money:

(1) Has control of the electronic money and acknowledges that it has control on behalf of the person; or

(2) Obtains control of the electronic money after having acknowledged that it will obtain control of the electronic money on behalf of the person.

NEW SECTION. **Sec. 905.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-107A: CONTROL OF CONTROLLABLE ELECTRONIC RECORD, CONTROLLABLE ACCOUNT, OR CONTROLLABLE PAYMENT INTANGIBLE. (a) **Control under section 1005 of this act.** A secured party has control of a controllable electronic record as provided in section 1005 of this act.

(b) **Control of controllable account and controllable payment intangible.** A secured party has control of a controllable account or controllable payment intangible if the secured party has control of the controllable electronic record that evidences the controllable account or controllable payment intangible.

NEW SECTION. **Sec. 906.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-107B: NO REQUIREMENT TO ACKNOWLEDGE OR CONFIRM; NO DUTIES. (a) **No requirement to acknowledge.** A person that has control under RCW 62A.9A-104 or 62A.9A-105 or section 904 of this act is not required to acknowledge that it has control on behalf of another person.

(b) **No duties or confirmation.** If a person acknowledges that it has or will obtain control on behalf of another person, unless the person otherwise agrees or law other than this article otherwise provides, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

**Sec. 907.** RCW 62A.9A-203 and 2012 c 214 s 1503 are each amended to read as follows:

(a) **Attachment.** A security interest attaches to collateral when it becomes enforceable against the debtor with respect to the collateral, unless an agreement expressly postpones the time of attachment.

(b) **Enforceability.** Except as otherwise provided in subsections (c) through (i) of this section, a security interest is enforceable against the debtor and third parties with respect to the collateral only if:

(1) Value has been given;

(2) The debtor has rights in the collateral or the power to transfer rights in the collateral to a secured party; and

(3) One of the following conditions is met:

(A) The debtor has ((~~authenticated~~))signed a security agreement that provides a description of the collateral and, if the security interest covers timber to be cut, a description of the land concerned;

(B) The collateral is not a certificated security and is in the possession of the

secured party under RCW 62A.9A-313 pursuant to the debtor's security agreement;

(C) The collateral is a certificated security in registered form and the security certificate has been delivered to the secured party under RCW 62A.8-301 pursuant to the debtor's security agreement; ((~~or~~))

(D) The collateral is controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, ((~~electronic chattel paper,~~))electronic documents, electronic money, investment property, or letter-of-credit rights, ((~~or electronic documents,~~)) and the secured party has control under RCW 62A.7-106, 62A.9A-104, 62A.9A-105, 62A.9A-106, or 62A.9A-107 or section 904 or 905 of this act pursuant to the debtor's security agreement; or

(E) The collateral is chattel paper and the secured party has possession and control under section 922 of this act pursuant to the debtor's security agreement.

(c) **Other UCC provisions.** Subsection (b) of this section is subject to RCW 62A.4-210 on the security interest of a collecting bank, RCW 62A.5-118 on the security interest of a letter-of-credit issuer or nominated person, RCW 62A.9A-110 on a security interest arising under Article 2 or 2A, and RCW 62A.9A-206 on security interests in investment property.

(d) **When person becomes bound by another person's security agreement.** A person becomes bound as debtor by a security agreement entered into by another person if, by operation of law other than this Article or by contract:

(1) The security agreement becomes effective to create a security interest in the person's property; or

(2) The person becomes generally obligated for the obligations of the other person, including the obligation secured under the security agreement, and acquires or succeeds to all or substantially all of the assets of the other person.

(e) **Effect of new debtor becoming bound.** If a new debtor becomes bound as debtor by a security agreement entered into by another person:

(1) The agreement satisfies subsection (b)(3) of this section with respect to existing or after-acquired property of the new debtor to the extent the property is described in the agreement; and

(2) Another agreement is not necessary to make a security interest in the property enforceable.

(f) **Proceeds and supporting obligations.** The attachment of a security interest in collateral gives the secured party the rights to proceeds provided by RCW 62A.9A-315 and is also attachment of a security interest in a supporting obligation for the collateral.

(g) **Lien securing right to payment.** The attachment of a security interest in a right to payment or performance secured by a security interest or other lien on personal or real property is also attachment of a security interest in the security interest, mortgage, or other lien.

(h) **Security entitlement carried in securities account.** The attachment of a security interest in a securities account is also attachment of a security interest in the security entitlements carried in the securities account.

(i) **Commodity contracts carried in commodity account.** The attachment of a security interest in a commodity account is also attachment of a security interest in the commodity contracts carried in the commodity account.

**Sec. 908.** RCW 62A.9A-204 and 2000 c 250 s 9A-204 are each amended to read as follows:

(a) **After-acquired collateral.** Except as otherwise provided in subsection (b) of this section, a security agreement may create or provide for a security interest in after-acquired collateral.

(b) **When after-acquired property clause not effective.**((~~A~~))Subject to subsection (b.1) of this section, a security interest does not attach, under a term constituting an after-acquired property clause, to:

(1) Consumer goods, other than an accession when given as additional security, unless the debtor acquires rights in them within ten days after the secured party gives value; or

(2) A commercial tort claim.

(b.1) **Limitation on subsection (b).** Subsection (b) of this section does not prevent a security interest from attaching:

(1) To consumer goods as proceeds under RCW 62A.9A-315(a) or commingled goods under RCW 62A.9A-336(c);

(2) To a commercial tort claim as proceeds under RCW 62A.9A-315(a); or

(3) Under an after-acquired property clause to property that is proceeds of consumer goods or a commercial tort claim.

(c) **Future advances and other value.** A security agreement may provide that collateral secures, or that accounts, chattel paper, payment intangibles, or promissory notes are sold in connection with, future advances or other value, whether or not the advances or value are given pursuant to commitment.

**Sec. 909.** RCW 62A.9A-207 and 2012 c 214 s 1504 are each amended to read as follows:

(a) **Duty of care when secured party in possession.** Except as otherwise provided in subsection (d) of this section, a secured party shall use reasonable care in the custody and preservation of collateral in the secured party's possession. In the case of chattel paper or an instrument, reasonable care includes taking necessary steps to preserve rights against prior parties unless otherwise agreed.

(b) **Expenses, risks, duties, and rights when secured party in possession.** Except as otherwise provided in subsection (d) of this section, if a secured party has possession of collateral:

(1) Reasonable expenses, including the cost of insurance and payment of taxes or other charges, incurred in the custody, preservation, use, or operation of the collateral are chargeable to the debtor and are secured by the collateral;

(2) The risk of accidental loss or damage is on the debtor to the extent of a

deficiency in any effective insurance coverage;

(3) The secured party shall keep the collateral identifiable, but fungible collateral may be commingled; and

(4) The secured party may use or operate the collateral:

(A) For the purpose of preserving the collateral or its value;

(B) As permitted by an order of a court having competent jurisdiction; or

(C) Except in the case of consumer goods, in the manner and to the extent agreed by the debtor.

(c) **Duties and rights when secured party in possession or control.** Except as otherwise provided in subsection (d) of this section, a secured party having possession of collateral or control of collateral under RCW 62A.7-106, 62A.9A-104, 62A.9A-105, 62A.9A-106, or 62A.9A-107 or section 904 or 905 of this act:

(1) May hold as additional security any proceeds, except money or funds, received from the collateral;

(2) Shall apply money or funds received from the collateral to reduce the secured obligation, unless remitted to the debtor; and

(3) May create a security interest in the collateral.

(d) **Buyer of certain rights to payment.** If the secured party is a buyer of accounts, chattel paper, payment intangibles, or promissory notes or a consignor:

(1) Subsection (a) of this section does not apply unless the secured party is entitled under an agreement:

(A) To charge back uncollected collateral; or

(B) Otherwise to full or limited recourse against the debtor or a secondary obligor based on the nonpayment or other default of an account debtor or other obligor on the collateral; and

(2) Subsections (b) and (c) of this section do not apply.

**Sec. 910.** RCW 62A.9A-208 and 2012 c 214 s 1505 are each amended to read as follows:

(a) **Applicability of section.** This section applies to cases in which there is no outstanding secured obligation and the secured party is not committed to make advances, incur obligations, or otherwise give value.

(b) **Duties of secured party after receiving demand from debtor.** Within ((~~ten~~))10 days after receiving ((~~an authenticated~~))a signed demand by the debtor:

(1) A secured party having control of a deposit account under RCW 62A.9A-104(a)(2) shall send to the bank with which the deposit account is maintained ((~~an authenticated statement~~))a signed record that releases the bank from any further obligation to comply with instructions originated by the secured party;

(2) A secured party having control of a deposit account under RCW 62A.9A-104(a)(3) shall:

(A) Pay the debtor the balance on deposit in the deposit account; or

(B) Transfer the balance on deposit into a deposit account in the debtor's name;

(3) ((~~A secured party, other than a buyer, having control of electronic chattel paper under RCW 62A.9A-105 shall:~~

~~(A) Communicate the authoritative copy of the electronic chattel paper to the debtor or its designated custodian;~~

~~(B) If the debtor designates a custodian that is the designated custodian with which the authoritative copy of the electronic chattel paper is maintained for the secured party, communicate to the custodian an authenticated record releasing the designated custodian from any further obligation to comply with instructions originated by the secured party and instructing the custodian to comply with instructions originated by the debtor; and~~

~~(C) Take appropriate action to enable the debtor or its designated custodian to make copies of or revisions to the authoritative copy which add or change an identified assignee of the authoritative copy without the consent of the secured party~~))A secured party, other than a buyer, having control under RCW 62A.9A-105 of an authoritative electronic copy of a record evidencing chattel paper shall transfer control of the electronic copy to the debtor or a person designated by the debtor;

(4) A secured party having control of investment property under RCW 62A.8-106(4)(b) or 62A.9A-106(b) shall send to the securities intermediary or commodity intermediary with which the security entitlement or commodity contract is maintained ((~~an authenticated~~))a signed record that releases the securities intermediary or commodity intermediary from any further obligation to comply with entitlement orders or directions originated by the secured party;

(5) A secured party having control of a letter-of-credit right under RCW 62A.9A-107 shall send to each person having an unfulfilled obligation to pay or deliver proceeds of the letter of credit to the secured party ((~~an authenticated~~))a signed release from any further obligation to pay or deliver proceeds of the letter of credit to the secured party; ((~~and~~))

(6) ((~~A secured party having control of an electronic document shall:~~

~~(A) Give control of the electronic document to the debtor or its designated custodian;~~

~~(B) If the debtor designates a custodian that is the designated custodian with which the authoritative copy of the electronic document is maintained for the secured party, communicate to the custodian an authenticated record releasing the designated custodian from any further obligation to comply with instructions originated by the secured party and instructing the custodian to comply with instructions originated by the debtor; and~~

~~(C) Take appropriate action to enable the debtor or its designated custodian to make copies of or revisions to the authoritative copy which add or change an identified assignee of the authoritative copy without the consent of the secured party~~))A secured party having control under RCW 62A.7-106 of an authoritative electronic copy of an

electronic document of title shall transfer control of the electronic copy to the debtor or a person designated by the debtor;

(7) A secured party having control under section 904 of this act of electronic money shall transfer control of the electronic money to the debtor or a person designated by the debtor; and

(8) A secured party having control under section 1005 of this act of a controllable electronic record, other than a buyer of a controllable account or controllable payment intangible evidenced by the controllable electronic record, shall transfer control of the controllable electronic record to the debtor or a person designated by the debtor.

**Sec. 911.** RCW 62A.9A-209 and 2011 c 74 s 707 are each amended to read as follows:

(a) **Applicability of section.** Except as otherwise provided in subsection (c) of this section, this section applies if:

(1) There is no outstanding secured obligation; and

(2) The secured party is not committed to make advances, incur obligations, or otherwise give value.

(b) **Duties of secured party after receiving demand from debtor.** Within ((~~ten~~))10 days after receiving ((~~an authenticated~~))a signed demand by the debtor, a secured party shall send to an account debtor that has received notification under RCW 62A.9A-406(a) or section 1006(b) of this act of an assignment to the secured party as assignee ((~~under RCW 62A.9A-406(a) an authenticated~~))a signed record that releases the account debtor from any further obligation to the secured party.

(c) **Inapplicability to sales.** This section does not apply to an assignment constituting the sale of an account, chattel paper, or payment intangible.

**Sec. 912.** RCW 62A.9A-210 and 2000 c 250 s 9A-210 are each amended to read as follows:

(a) **Definitions.** In this section:

(1) "Request" means a record of a type described in (2), (3), or (4) of this subsection.

(2) "Request for an accounting" means a record ((~~authenticated~~))signed by a debtor requesting that the recipient provide an accounting of the unpaid obligations secured by collateral and reasonably identifying the transaction or relationship that is the subject of the request.

(3) "Request regarding a list of collateral" means a record ((~~authenticated~~))signed by a debtor requesting that the recipient approve or correct a list of what the debtor believes to be the collateral securing an obligation and reasonably identifying the transaction or relationship that is the subject of the request.

(4) "Request regarding a statement of account" means a record ((~~authenticated~~))signed by a debtor requesting that the recipient approve or correct a statement indicating what the debtor believes to be the aggregate amount of unpaid obligations secured by collateral as of a specified date and reasonably identifying the transaction or relationship that is the subject of the request.

(b) **Duty to respond to requests.** Subject to subsections (c), (d), (e), and (f) of this section, a secured party, other than a buyer of accounts, chattel paper, payment intangibles, or promissory notes or a consignor, shall comply with a request within fourteen days after receipt:

(1) In the case of a request for an accounting, by ((~~authenticating~~))signing and sending to the debtor an accounting; and

(2) In the case of a request regarding a list of collateral or a request regarding a statement of account, by ((~~authenticating~~))signing and sending to the debtor an approval or correction.

(c) **Request regarding list of collateral; statement concerning type of collateral.** A secured party that claims a security interest in all of a particular type of collateral owned by the debtor may comply with a request regarding a list of collateral by sending to the debtor ((~~an authenticated~~))a signed record including a statement to that effect within ((~~fourteen~~))14 days after receipt.

(d) **Request regarding list of collateral; no interest claimed.** A person that receives a request regarding a list of collateral, claims no interest in the collateral when it receives the request, and claimed an interest in the collateral at an earlier time shall comply with the request within ((~~fourteen~~))14 days after receipt by sending to the debtor ((~~an authenticated~~))a signed record:

(1) Disclaiming any interest in the collateral; and

(2) If known to the recipient, providing the name and mailing address of any assignee of, or successor to, the recipient's interest in the collateral.

(e) **Request for accounting or regarding statement of account; no interest in obligation claimed.** A person that receives a request for an accounting or a request regarding a statement of account, claims no interest in the obligations when it receives the request, and claimed an interest in the obligations at an earlier time shall comply with the request within fourteen days after receipt by sending to the debtor ((~~an authenticated~~))a signed record:

(1) Disclaiming any interest in the obligations; and

(2) If known to the recipient, providing the name and mailing address of any assignee of, or successor to, the recipient's interest in the obligations.

(f) **Charges for responses.** A debtor is entitled without charge to one response to a request under this section during any six-month period. The secured party may require payment of a charge not exceeding twenty-five dollars for each additional response.

**Sec. 913.** RCW 62A.9A-301 and 2012 c 214 s 1506 are each amended to read as follows:

Except as otherwise provided in RCW 62A.9A-303 through 62A.9A-306 and section 917 of this act, the following rules determine the law governing perfection, the effect of perfection or nonperfection, and

the priority of a security interest in collateral:

(1) Except as otherwise provided in this section, while a debtor is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in collateral.

(2) While collateral is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a possessory security interest in that collateral.

(3) Except as otherwise provided in subsection (4) of this section, while ((~~tangible~~)) negotiable tangible documents, goods, instruments, or tangible money((~~, or tangible chattel paper~~)) is located in a jurisdiction, the local law of that jurisdiction governs:

(A) Perfection of a security interest in the goods by filing a fixture filing;

(B) Perfection of a security interest in timber to be cut; and

(C) The effect of perfection or nonperfection and the priority of a nonpossessory security interest in the collateral.

(4) The local law of the jurisdiction in which the wellhead or minehead is located governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in as-extracted collateral.

**Sec. 914.** RCW 62A.9A-304 and 2000 c 250 s 9A-304 are each amended to read as follows:

(a) **Law of bank's jurisdiction governs.** The local law of a bank's jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in a deposit account maintained with that bank even if the transaction does not bear any relation to the bank's jurisdiction.

(b) **Bank's jurisdiction.** The following rules determine a bank's jurisdiction for purposes of this part:

(1) If an agreement between the bank and the debtor governing the deposit account expressly provides that a particular jurisdiction is the bank's jurisdiction for purposes of this part, this Article, or the Uniform Commercial Code, that jurisdiction is the bank's jurisdiction.

(2) If (1) of this subsection does not apply and an agreement between the bank and its customer governing the deposit account expressly provides that the agreement is governed by the law of a particular jurisdiction, that jurisdiction is the bank's jurisdiction.

(3) If neither (1) nor (2) of this subsection applies and an agreement between the bank and its customer governing the deposit account expressly provides that the deposit account is maintained at an office in a particular jurisdiction, that jurisdiction is the bank's jurisdiction.

(4) If (1) through (3) of this subsection do not apply, the bank's jurisdiction is the jurisdiction in which the office identified in an account statement as the office serving the customer's account is located.

(5) If (1) through (4) of this subsection do not apply, the bank's jurisdiction is the jurisdiction in which the chief executive office of the bank is located.

**Sec. 915.** RCW 62A.9A-305 and 2001 c 32 s 23 are each amended to read as follows:

(a) **Governing law: General rules.** Except as otherwise provided in subsection (c) of this section, the following rules apply:

(1) While a security certificate is located in a jurisdiction, the local law of that jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in the certificated security represented thereby.

(2) The local law of the issuer's jurisdiction as specified in RCW 62A.8-110(4) governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in an uncertificated security.

(3) The local law of the securities intermediary's jurisdiction as specified in RCW 62A.8-110(5) governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in a security entitlement or securities account.

(4) The local law of the commodity intermediary's jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in a commodity contract or commodity account.

(5) (2), (3), and (4) of this subsection apply even if the transaction does not bear any relation to the jurisdiction.

(b) **Commodity intermediary's jurisdiction.** The following rules determine a commodity intermediary's jurisdiction for purposes of this part:

(1) If an agreement between the commodity intermediary and commodity customer governing the commodity account expressly provides that a particular jurisdiction is the commodity intermediary's jurisdiction for purposes of this part, this Article, or the Uniform Commercial Code, that jurisdiction is the commodity intermediary's jurisdiction.

(2) If (1) of this subsection does not apply and an agreement between the commodity intermediary and commodity customer governing the commodity account expressly provides that the agreement is governed by the law of a particular jurisdiction, that jurisdiction is the commodity intermediary's jurisdiction.

(3) If neither (1) nor (2) of this subsection applies and an agreement between the commodity intermediary and commodity customer governing the commodity account expressly provides that the commodity account is maintained at an office in a particular jurisdiction, that jurisdiction is the commodity intermediary's jurisdiction.

(4) If (1) through (3) of this subsection do not apply, the commodity intermediary's jurisdiction is the jurisdiction in which the office identified in an account statement as the office serving the commodity customer's account is located.

(5) If (1) through (4) of this subsection do not apply, the commodity intermediary's jurisdiction is the jurisdiction in which the chief executive office of the commodity intermediary is located.

(c) **When perfection governed by law of jurisdiction where debtor located.** The local law of the jurisdiction in which the debtor is located governs:

(1) Perfection of a security interest in investment property by filing;

(2) Automatic perfection of a security interest in investment property created by a broker or securities intermediary; and

(3) Automatic perfection of a security interest in a commodity contract or commodity account created by a commodity intermediary.

NEW SECTION. **Sec. 916.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-306A: LAW GOVERNING PERFECTION AND PRIORITY OF SECURITY INTERESTS IN CHATTEL PAPER. (a) **Chattel paper evidenced by authoritative electronic copy.** Except as provided in subsection (d) of this section, if chattel paper is evidenced only by an authoritative electronic copy of the chattel paper or is evidenced by an authoritative electronic copy and an authoritative tangible copy, the local law of the chattel paper's jurisdiction governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in the chattel paper, even if the transaction does not bear any relation to the chattel paper's jurisdiction.

(b) **Chattel paper's jurisdiction.** The following rules determine the chattel paper's jurisdiction under this section:

(1) If the authoritative electronic copy of the record evidencing chattel paper, or a record attached to or logically associated with the electronic copy and readily available for review, expressly provides that a particular jurisdiction is the chattel paper's jurisdiction for purposes of this part, this Article, or this title, that jurisdiction is the chattel paper's jurisdiction.

(2) If (1) of this subsection does not apply and the rules of the system in which the authoritative electronic copy is recorded are readily available for review and expressly provide that a particular jurisdiction is the chattel paper's jurisdiction for purposes of this part, this Article, or this title, that jurisdiction is the chattel paper's jurisdiction.

(3) If (1) and (2) of this subsection do not apply and the authoritative electronic copy, or a record attached to or logically associated with the electronic copy and readily available for review, expressly provides that the chattel paper is governed by the law of a particular jurisdiction, that jurisdiction is the chattel paper's jurisdiction.

(4) If (1), (2), and (3) of this subsection do not apply and the rules of the system in which the authoritative electronic copy is recorded are readily available for review and expressly provide that the chattel paper or the system is governed by the law of a particular jurisdiction, that jurisdiction is the chattel paper's jurisdiction.

(5) If (1) through (4) of this subsection do not apply, the chattel paper's jurisdiction is the jurisdiction in which the debtor is located.

(c) **Chattel paper evidenced by authoritative tangible copy.** If an authoritative tangible copy of a record evidences chattel paper and the chattel paper is not evidenced by an authoritative electronic copy, while the authoritative tangible copy of the record evidencing chattel paper is located in a jurisdiction, the local law of that jurisdiction governs:

(1) Perfection of a security interest in the chattel paper by possession under section 922 of this act; and

(2) The effect of perfection or nonperfection and the priority of a security interest in the chattel paper.

(d) **When perfection governed by law of jurisdiction where debtor located.** The local law of the jurisdiction in which the debtor is located governs perfection of a security interest in chattel paper by filing.

NEW SECTION. **Sec. 917.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-306B: LAW GOVERNING PERFECTION AND PRIORITY OF SECURITY INTERESTS IN CONTROLLABLE ACCOUNTS, CONTROLLABLE ELECTRONIC RECORDS, AND CONTROLLABLE PAYMENT INTANGIBLES. (a) **Governing law: General rules.** Except as provided in subsection (b) of this section, the local law of the controllable electronic record's jurisdiction specified in section 1007 (c) and (d) of this act governs perfection, the effect of perfection or nonperfection, and the priority of a security interest in a controllable electronic record and a security interest in a controllable account or controllable payment intangible evidenced by the controllable electronic record.

(b) **When perfection governed by law of jurisdiction where debtor located.** The local law of the jurisdiction in which the debtor is located governs:

(1) Perfection of a security interest in a controllable account, controllable electronic record, or controllable payment intangible by filing; and

(2) Automatic perfection of a security interest in a controllable payment intangible created by a sale of the controllable payment intangible.

**Sec. 918.** RCW 62A.9A-310 and 2012 c 214 s 1508 are each amended to read as follows:

(a) **General rule: Perfection by filing.** Except as otherwise provided in subsections (b) and (d) of this section and RCW 62A.9A-312(b), a financing statement must be filed to perfect all security interests and agricultural liens.

(b) **Exceptions: Filing not necessary.** The filing of a financing statement is not necessary to perfect a security interest:

(1) That is perfected under RCW 62A.9A-308 (d), (e), (f), or (g);

(2) That is perfected under RCW 62A.9A-309 when it attaches;

(3) In property subject to a statute, regulation, or treaty described in RCW 62A.9A-311(a);

(4) In goods in possession of a bailee which is perfected under RCW 62A.9A-312(d)(1) or (2);

(5) In certificated securities, documents, goods, or instruments which is perfected without filing, control, or possession under RCW 62A.9A-312 (e), (f), or (g);

(6) In collateral in the secured party's possession under RCW 62A.9A-313;

(7) In a certificated security which is perfected by delivery of the security certificate to the secured party under RCW 62A.9A-313;

(8) In controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, ((~~electronic chattel paper,~~)) electronic documents, investment property, or letter-of-credit rights which is perfected by control under RCW 62A.9A-314;

(8.1) In chattel paper which is perfected by possession and control under section 922 of this act;

(9) In proceeds which is perfected under RCW 62A.9A-315; or

(10) That is perfected under RCW 62A.9A-316.

(c) **Assignment of perfected security interest.** If a secured party assigns a perfected security interest or agricultural lien, a filing under this Article is not required to continue the perfected status of the security interest against creditors of and transferees from the original debtor.

(d) **Further exception: Filing not necessary for handler's lien.** The filing of a financing statement is not necessary to perfect the agricultural lien of a handler on orchard crops as provided in RCW 60.11.020(3).

**Sec. 919.** RCW 62A.9A-312 and 2012 c 214 s 1509 are each amended to read as follows:

(a) **Perfection by filing permitted.** A security interest in chattel paper, ((~~negotiable documents,~~))controllable accounts, controllable electronic records, controllable payment intangibles, instruments, ((~~or~~)) investment property, or negotiable documents may be perfected by filing.

(b) **Control or possession of certain collateral.** Except as otherwise provided in RCW 62A.9A-315 (c) and (d) for proceeds:

(1) A security interest in a deposit account may be perfected only by control under RCW 62A.9A-314;

(2) And except as otherwise provided in RCW 62A.9A-308(d), a security interest in a letter-of-credit right may be perfected only by control under RCW 62A.9A-314; ((~~and~~))

(3) A security interest in tangible money may be perfected only by the secured party's taking possession under RCW 62A.9A-313; and

(4) A security interest in electronic money may be perfected only by control under RCW 62A.9A-314.

(c) **Goods covered by negotiable document.** While goods are in the possession of a bailee that has issued a negotiable document covering the goods:

(1) A security interest in the goods may be perfected by perfecting a security interest in the document; and

(2) A security interest perfected in the document has priority over any security interest that becomes perfected in the goods by another method during that time.

(d) **Goods covered by nonnegotiable document.** While goods are in the possession of a bailee that has issued a nonnegotiable document covering the goods, a security interest in the goods may be perfected by:

(1) Issuance of a document in the name of the secured party;

(2) The bailee's receipt of notification of the secured party's interest; or

(3) Filing as to the goods.

(e) **Temporary perfection: New value.** A security interest in certificated securities, negotiable documents, or instruments is perfected without filing or the taking of possession or control for a period of twenty days from the time it attaches to the extent that it arises for new value given under ((~~an authenticated~~))a signed security agreement.

(f) **Temporary perfection: Goods or documents made available to debtor.** A perfected security interest in a negotiable document or goods in possession of a bailee, other than one that has issued a negotiable document for the goods, remains perfected for twenty days without filing if the secured party makes available to the debtor the goods or documents representing the goods for the purpose of:

(1) Ultimate sale or exchange; or

(2) Loading, unloading, storing, shipping, transshipping, manufacturing, processing, or otherwise dealing with them in a manner preliminary to their sale or exchange.

(g) **Temporary perfection: Delivery of security certificate or instrument to debtor.** A perfected security interest in a certificated security or instrument remains perfected for twenty days without filing if the secured party delivers the security certificate or instrument to the debtor for the purpose of:

(1) Ultimate sale or exchange; or

(2) Presentation, collection, enforcement, renewal, or registration of transfer.

(h) **Expiration of temporary perfection.** After the twenty-day period specified in subsection (e), (f), or (g) of this section expires, perfection depends upon compliance with this Article.

**Sec. 920.** RCW 62A.9A-313 and 2012 c 214 s 1511 are each amended to read as follows:

(a) **Perfection by possession or delivery.** Except as otherwise provided in subsection (b) of this section, a secured party may perfect a security interest in ((~~tangible negotiable documents,~~)) goods, instruments, negotiable tangible documents, or tangible money((~~, or tangible chattel paper~~)) by taking possession of the collateral. A

secured party may perfect a security interest in certificated securities by taking delivery of the certificated securities under RCW 62A.8-301.

(b) **Goods covered by certificate of title.** With respect to goods covered by a certificate of title issued by this state, a secured party may perfect a security interest in the goods by taking possession of the goods only in the circumstances described in RCW 62A.9A-316(d).

(c) **Collateral in possession of person other than debtor.** With respect to collateral other than certificated securities and goods covered by a document, a secured party takes possession of collateral in the possession of a person other than the debtor, the secured party, or a lessee of the collateral from the debtor in the ordinary course of the debtor's business, when:

(1) The person in possession ((~~authenticates~~))signs a record acknowledging that it holds possession of the collateral for the secured party's benefit; or

(2) The person takes possession of the collateral after having ((~~authenticated~~))signed a record acknowledging that it will hold possession of the collateral for the secured party's benefit.

(d) **Time of perfection by possession; continuation of perfection.** If perfection of a security interest depends upon possession of the collateral by a secured party, perfection occurs ((~~no~~))not earlier than the time the secured party takes possession and continues only while the secured party retains possession.

(e) **Time of perfection by delivery; continuation of perfection.** A security interest in a certificated security in registered form is perfected by delivery when delivery of the certificated security occurs under RCW 62A.8-301 and remains perfected by delivery until the debtor obtains possession of the security certificate.

(f) **Acknowledgment not required.** A person in possession of collateral is not required to acknowledge that it holds possession for a secured party's benefit.

(g) **Effectiveness of acknowledgment; no duties or confirmation.** If a person acknowledges that it holds possession for the secured party's benefit:

(1) The acknowledgment is effective under subsection (c) of this section or RCW 62A.8-301(1), even if the acknowledgment violates the rights of a debtor; and

(2) Unless the person otherwise agrees or law other than this Article otherwise provides, the person does not owe any duty to the secured party and is not required to confirm the acknowledgment to another person.

(h) **Secured party's delivery to person other than debtor.** A secured party having possession of collateral does not relinquish possession by delivering the collateral to a person other than the debtor or a lessee of the collateral from the debtor in the ordinary course of the debtor's business if the person was instructed before the delivery or is instructed contemporaneously with the delivery:

(1) To hold possession of the collateral for the secured party's benefit; or

(2) To redeliver the collateral to the secured party.

(i) **Effect of delivery under subsection (h) of this section; no duties or confirmation.** A secured party does not relinquish possession, even if a delivery under subsection (h) of this section violates the rights of a debtor. A person to which collateral is delivered under subsection (h) of this section does not owe any duty to the secured party and is not required to confirm the delivery to another person unless the person otherwise agrees or law other than this Article otherwise provides.

**Sec. 921.** RCW 62A.9A-314 and 2012 c 214 s 1512 are each amended to read as follows:

(a) **Perfection by control.** A security interest in ((~~investment property, deposit accounts, letter-of-credit rights, electronic chattel paper, or electronic documents~~))controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, electronic documents, electronic money, investment property, or letter-of-credit rights may be perfected by control of the collateral under RCW 62A.7-106, 62A.9A-104, ((~~62A.9A-105,~~)) 62A.9A-106, or 62A.9A-107 or section 904 or 905 of this act.

(b) **Specified collateral: Time of perfection by control; continuation of perfection.** A security interest in ((~~deposit accounts, electronic chattel paper, letter-of-credit rights, or electronic documents~~))controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, electronic documents, electronic money, or letter-of-credit rights is perfected by control under RCW 62A.7-106, 62A.9A-104, ((~~62A.9A-105,~~)) or 62A.9A-107 or section 904 or 905 of this act not earlier than the time when the secured party obtains control and remains perfected by control only while the secured party retains control.

(c) **Investment property: Time of perfection by control; continuation of perfection.** A security interest in investment property is perfected by control under RCW 62A.9A-106 ((~~from~~))not earlier than the time the secured party obtains control and remains perfected by control until:

(1) The secured party does not have control; and

(2) One of the following occurs:

(A) If the collateral is a certificated security, the debtor has or acquires possession of the security certificate;

(B) If the collateral is an uncertificated security, the issuer has registered or registers the debtor as the registered owner; or

(C) If the collateral is a security entitlement, the debtor is or becomes the entitlement holder.

NEW SECTION. **Sec. 922.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-314A: PERFECTION BY POSSESSION AND CONTROL OF CHATTEL PAPER. (a) **Perfection by possession and control.** A secured party may perfect a security interest in chattel paper by taking possession of each authoritative tangible copy of the record evidencing the chattel paper and obtaining control of each authoritative electronic copy of the electronic record evidencing the chattel paper.

(b) **Time of perfection; continuation of perfection.** A security interest is perfected under subsection (a) of this section not earlier than the time the secured party takes possession and obtains control and remains perfected under subsection (a) of this section only while the secured party retains possession and control.

(c) **Application of RCW 62A.9A-313 to perfection by possession of chattel paper.** RCW 62A.9A-313 (c) and (f) through (i) applies to perfection by possession of an authoritative tangible copy of a record evidencing chattel paper.

**Sec. 923.** RCW 62A.9A-316 and 2011 c 74 s 203 are each amended to read as follows:

(a) **General rule: Effect on perfection of change in governing law.** A security interest perfected pursuant to the law of the jurisdiction designated in RCW 62A.9A-301(1) or 62A.9A-305(c) or section 916 or 917 of this act remains perfected until the earliest of:

(1) The time perfection would have ceased under the law of that jurisdiction;

(2) The expiration of four months after a change of the debtor's location to another jurisdiction; or

(3) The expiration of one year after a transfer of collateral to a person that thereby becomes a debtor and is located in another jurisdiction.

(b) **Security interest perfected or unperfected under law of new jurisdiction.** If a security interest described in subsection (a) of this section becomes perfected under the law of the other jurisdiction before the earliest time or event described in subsection (a) of this section, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earliest time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

(c) **Possessory security interest in collateral moved to new jurisdiction.** A possessory security interest in collateral, other than goods covered by a certificate of title and as-extracted collateral consisting of goods, remains continuously perfected if:

(1) The collateral is located in one jurisdiction and subject to a security interest perfected under the law of that jurisdiction;

(2) Thereafter the collateral is brought into another jurisdiction; and

(3) Upon entry into the other jurisdiction, the security interest is perfected under the law of the other jurisdiction.

(d) **Goods covered by certificate of title from this state.** Except as otherwise provided in subsection (e) of this section, a security interest in goods covered by a certificate of title which is perfected by any method under the law of another jurisdiction when the goods become covered by a certificate of title from this state remains perfected until the security interest would have become unperfected under the law of the other jurisdiction had the goods not become so covered.

(e) **When subsection (d) security interest becomes unperfected against purchasers.** A security interest described in subsection (d) of this section becomes unperfected as against a purchaser of the goods for value and is deemed never to have been perfected as against a purchaser of the goods for value if the applicable requirements for perfection under RCW 62A.9A-311(b) or 62A.9A-313 are not satisfied before the earlier of:

(1) The time the security interest would have become unperfected under the law of the other jurisdiction had the goods not become covered by a certificate of title from this state; or

(2) The expiration of four months after the goods had become so covered.

(f) **Change in jurisdiction of chattel paper, controllable electronic record, bank, issuer, nominated person, securities intermediary, or commodity intermediary.** A security interest in chattel paper, controllable accounts, controllable electronic records, controllable payment intangibles, deposit accounts, letter-of-credit rights, or investment property which is perfected under the law of the chattel paper's jurisdiction, the controllable electronic record's jurisdiction, the bank's jurisdiction, the issuer's jurisdiction, a nominated person's jurisdiction, the securities intermediary's jurisdiction, or the commodity intermediary's jurisdiction, as applicable, remains perfected until the earlier of:

(1) The time the security interest would have become unperfected under the law of that jurisdiction; or

(2) The expiration of four months after a change of the applicable jurisdiction to another jurisdiction.

(g) **Subsection (f) of this section security interestperfected or unperfected under law of new jurisdiction.** If a security interest described in subsection (f) of this section becomes perfected under the law of the other jurisdiction before the earlier of the time or the end of the period described in subsection (f) of this section, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier of that time or the end of that period, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

(h) **Effect on filed financing statement of change in governing law.** The following rules apply to collateral to which a security interest attaches within four

months after the debtor changes its location to another jurisdiction:

(1) A financing statement filed before the change pursuant to the law of the jurisdiction designated in RCW 62A.9A-301(1) or 62A.9A-305(c) is effective to perfect a security interest in the collateral if the financing statement would have been effective to perfect a security interest in the collateral had the debtor not changed its location.

(2) If a security interest perfected by a financing statement that is effective under (1) of this subsection (h) becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have become ineffective under the law of the jurisdiction designated in RCW 62A.9A-301(1) or 62A.9A-305(c) or the expiration of the four-month period, it remains perfected thereafter. If the security interest does not become perfected under the law of the other jurisdiction before the earlier time or event, it becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

(i) **Effect of change in governing law on financing statement filed against original debtor.** If a financing statement naming an original debtor is filed pursuant to the law of the jurisdiction designated in RCW 62A.9A-301(1) or 62A.9A-305(c) and the new debtor is located in another jurisdiction, the following rules apply:

(1) The financing statement is effective to perfect a security interest in collateral acquired by the new debtor before, and within four months after, the new debtor becomes bound under RCW 62A.9A-203(d), if the financing statement would have been effective to perfect a security interest in the collateral had the collateral been acquired by the original debtor.

(2) A security interest perfected by the financing statement and which becomes perfected under the law of the other jurisdiction before the earlier of the time the financing statement would have become ineffective under the law of the jurisdiction designated in RCW 62A.9A-301(1) or 62A.9A-305(c) or the expiration of the four-month period remains perfected thereafter. A security interest that is perfected by the financing statement but which does not become perfected under the law of the other jurisdiction before the earlier time or event becomes unperfected and is deemed never to have been perfected as against a purchaser of the collateral for value.

**Sec. 924.** RCW 62A.9A-317 and 2012 c 214 s 1514 are each amended to read as follows:

(a) **Conflicting security interests and rights of lien creditors.** A security interest or agricultural lien is subordinate to the rights of:

(1) A person entitled to priority under RCW 62A.9A-322; and

(2) Except as otherwise provided in subsection (e) of this section, a person that becomes a lien creditor before the earlier of the time:

(A) The security interest or agricultural lien is perfected; or

(B) One of the conditions specified in RCW 62A.9A-203(b)(3) is met and a financing statement covering the collateral is filed.

(b) **Buyers that receive delivery.** Except as otherwise provided in subsection (e) of this section, a buyer, other than a secured party, of ((~~tangible chattel paper, tangible documents,~~)) goods, instruments, tangible documents, or a certificated security takes free of a security interest or agricultural lien if the buyer gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

(c) **Lessees that receive delivery.** Except as otherwise provided in subsection (e) of this section, a lessee of goods takes free of a security interest or agricultural lien if the lessee gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

(d) **Licensees and buyers of certain collateral.** ((~~A~~))Subject to subsections (f) through (i) of this section, a licensee of a general intangible or a buyer, other than a secured party, of collateral other than ((~~tangible chattel paper, tangible documents,~~))electronic money, goods, instruments, tangible documents, or a certificated security takes free of a security interest if the licensee or buyer gives value without knowledge of the security interest and before it is perfected.

(e) **Purchase-money security interest.** Except as otherwise provided in RCW 62A.9A-320 and 62A.9A-321, if a person files a financing statement with respect to a purchase-money security interest before or within twenty days after the debtor receives delivery of the collateral, the security interest takes priority over the rights of a buyer, lessee, or lien creditor which arise between the time the security interest attaches and the time of filing.

(f) **Buyers of chattel paper.** A buyer, other than a secured party, of chattel paper takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and:

(1) Receives delivery of each authoritative tangible copy of the record evidencing the chattel paper; and

(2) If each authoritative electronic copy of the record evidencing the chattel paper can be subjected to control under RCW 62A.9A-105, obtains control of each authoritative electronic copy.

(g) **Buyers of electronic documents.** A buyer of an electronic document takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and, if each authoritative electronic copy of the document can be subjected to control under RCW 62A.7-106, obtains control of each authoritative electronic copy.

(h) **Buyers of controllable electronic records.** A buyer of a controllable electronic record takes free of a security interest if, without knowledge of the security interest and before it is

perfected, the buyer gives value and obtains control of the controllable electronic record.

(i) **Buyers of controllable accounts and controllable payment intangibles.** A buyer, other than a secured party, of a controllable account or a controllable payment intangible takes free of a security interest if, without knowledge of the security interest and before it is perfected, the buyer gives value and obtains control of the controllable account or controllable payment intangible.

**Sec. 925.** RCW 62A.9A-323 and 2000 c 250 s 9A-323 are each amended to read as follows:

(a) **When priority based on time of advance.** Except as otherwise provided in subsection (c) of this section, for purposes of determining the priority of a perfected security interest under RCW 62A.9A-322(a)(1), perfection of the security interest dates from the time an advance is made to the extent that the security interest secures an advance that:

(1) Is made while the security interest is perfected only:

(A) Under RCW 62A.9A-309 when it attaches; or

(B) Temporarily under RCW 62A.9A-312 (e), (f), or (g); and

(2) Is not made pursuant to a commitment entered into before or while the security interest is perfected by a method other than under RCW 62A.9A-309 or 62A.9A-312 (e), (f), or (g).

(b) **Lien creditor.** Except as otherwise provided in subsection (c) of this section, a security interest is subordinate to the rights of a person that becomes a lien creditor to the extent that the security interest secures an advance made more than forty-five days after the person becomes a lien creditor unless the advance is made:

(1) Without knowledge of the lien; or

(2) Pursuant to a commitment entered into without knowledge of the lien.

(c) **Buyer of receivables.** Subsections (a) and (b) of this section do not apply to a security interest held by a secured party that is a buyer of accounts, chattel paper, payment intangibles, or promissory notes or a consignor.

(d) **Buyer of goods.** Except as otherwise provided in subsection (e) of this section, a buyer of goods ((~~other than a buyer in ordinary course of business~~)) takes free of a security interest to the extent that it secures advances made after the earlier of:

(1) The time the secured party acquires knowledge of the buyer's purchase; or

(2) Forty-five days after the purchase.

(e) **Advances made pursuant to commitment: Priority of buyer of goods.** Subsection (d) of this section does not apply if the advance is made pursuant to a commitment entered into without knowledge of the buyer's purchase and before the expiration of the forty-five day period.

(f) **Lessee of goods.** Except as otherwise provided in subsection (g) of this section, a lessee of goods((~~, other than a lessee in ordinary course of business,~~)) takes the leasehold interest free of a security interest to the extent that it secures advances made after the earlier of:

(1) The time the secured party acquires knowledge of the lease; or

(2) Forty-five days after the lease contract becomes enforceable.

(g) **Advances made pursuant to commitment: Priority of lessee of goods.** Subsection (f) of this section does not apply if the advance is made pursuant to a commitment entered into without knowledge of the lease and before the expiration of the forty-five day period.

**Sec. 926.** RCW 62A.9A-324 and 2000 c 250 s 9A-324 are each amended to read as follows:

(a) **General rule: Purchase-money priority.** Except as otherwise provided in subsection (g) of this section, a perfected purchase-money security interest in goods other than inventory or livestock has priority over a conflicting security interest in the same goods, and, except as otherwise provided in RCW 62A.9A-327, a perfected security interest in its identifiable proceeds also has priority, if the purchase-money security interest is perfected when the debtor receives possession of the collateral or within twenty days thereafter.

(b) **Inventory purchase-money priority.** Subject to subsection (c) of this section and except as otherwise provided in subsection (g) of this section, a perfected purchase-money security interest in inventory has priority over a conflicting security interest in the same inventory, has priority over a conflicting security interest in chattel paper or an instrument constituting proceeds of the inventory and in proceeds of the chattel paper, if so provided in RCW 62A.9A-330, and, except as otherwise provided in RCW 62A.9A-327, also has priority in identifiable cash proceeds of the inventory to the extent the identifiable cash proceeds are received on or before the delivery of the inventory to a buyer, if:

(1) The purchase-money security interest is perfected when the debtor receives possession of the inventory;

(2) The purchase-money secured party sends ((~~an authenticated~~))a signed notification to the holder of the conflicting security interest;

(3) The holder of the conflicting security interest receives the notification within five years before the debtor receives possession of the inventory; and

(4) The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in inventory of the debtor and describes the inventory.

(c) **Holders of conflicting inventory security interests to be notified.** Subsections (b)(2) through (4) of this section apply only if the holder of the conflicting security interest had filed a financing statement covering the same types of inventory:

(1) If the purchase-money security interest is perfected by filing, before the date of the filing; or

(2) If the purchase-money security interest is temporarily perfected without filing or possession under RCW 62A.9A-312(f), before the beginning of the twenty-day period thereunder.

(d) **Livestock purchase-money priority.** Subject to subsection (e) of this section and except as otherwise provided in subsection (g) of this section, a perfected purchase-money security interest in livestock that are farm products has priority over a conflicting security interest in the same livestock, and, except as otherwise provided in RCW 62A.9A-327, a perfected security interest in their identifiable proceeds and identifiable products in their unmanufactured states also has priority, if:

(1) The purchase-money security interest is perfected when the debtor receives possession of the livestock;

(2) The purchase-money secured party sends ((~~an authenticated~~))a signed notification to the holder of the conflicting security interest;

(3) The holder of the conflicting security interest receives the notification within six months before the debtor receives possession of the livestock; and

(4) The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in livestock of the debtor and describes the livestock.

(e) **Holders of conflicting livestock security interests to be notified.** Subsections (d)(2) through (4) of this section apply only if the holder of the conflicting security interest had filed a financing statement covering the same types of livestock:

(1) If the purchase-money security interest is perfected by filing, before the date of the filing; or

(2) If the purchase-money security interest is temporarily perfected without filing or possession under RCW 62A.9A-312(f), before the beginning of the twenty-day period thereunder.

(f) **Software purchase-money priority.** Except as otherwise provided in subsection (g) of this section, a perfected purchase-money security interest in software has priority over a conflicting security interest in the same collateral, and, except as otherwise provided in RCW 62A.9A-327, a perfected security interest in its identifiable proceeds also has priority, to the extent that the purchase-money security interest in the goods in which the software was acquired for use has priority in the goods and proceeds of the goods under this section.

(g) **Conflicting purchase-money security interests.** If more than one security interest qualifies for priority in the same collateral under subsection (a), (b), (d), or (f) of this section:

(1) A security interest securing an obligation incurred as all or part of the price of the collateral has priority over a security interest securing an obligation incurred for value given to enable the debtor to acquire rights in or the use of collateral; and

(2) In all other cases, RCW 62A.9A-322(a) applies to the qualifying security interests.

NEW SECTION. **Sec. 927.** A new section is added to chapter 62A.9A RCW to read as follows:

SECTION 9-326A: PRIORITY OF SECURITY INTEREST IN CONTROLLABLE ACCOUNT, CONTROLLABLE ELECTRONIC RECORD, AND CONTROLLABLE PAYMENT INTANGIBLE. A security interest in a controllable account, controllable electronic record, or controllable payment intangible held by a secured party having control of the account, electronic record, or payment intangible has priority over a conflicting security interest held by a secured party that does not have control.

**Sec. 928.** RCW 62A.9A-330 and 2000 c 250 s 9A-330 are each amended to read as follows:

(a) **Purchaser's priority: Security interest claimed merely as proceeds.** A purchaser of chattel paper has priority over a security interest in the chattel paper which is claimed merely as proceeds of inventory subject to a security interest if:

(1) In good faith and in the ordinary course of the purchaser's business, the purchaser gives new value ((~~and~~)), takes possession of each authoritative tangible copy of the record evidencing the chattel paper ((~~or~~)), and obtains control ((~~of~~))under RCW 62A.9A-105 of each authoritative electronic copy of the record evidencing the chattel paper ((~~under RCW 62A.9A-105~~)); and

(2) The ((~~chattel paper does~~))authoritative copies of the record evidencing the chattel paper do not indicate that ((~~it~~))the chattel paper has been assigned to an identified assignee other than the purchaser.

(b) **Purchaser's priority: Other security interests.**A purchaser of chattel paper has priority over a security interest in the chattel paper which is claimed other than merely as proceeds of inventory subject to a security interest if the purchaser gives new value ((~~and~~)), takes possession of each authoritative tangible copy of the record evidencing the chattel paper ((~~or~~)), and obtains control ((~~of~~))under RCW 62A.9A-105 of each authoritative electronic copy of the record evidencing the chattel paper ((~~under RCW 62A.9A-105~~)) in good faith, in the ordinary course of the purchaser's business, and without knowledge that the purchase violates the rights of the secured party.

(c) **Chattel paper purchaser's priority in proceeds.**Except as otherwise provided in RCW 62A.9A-327, a purchaser having priority in chattel paper under subsection (a) or (b) of this section also has priority in proceeds of the chattel paper to the extent that:

(1) RCW 62A.9A-322 provides for priority in the proceeds; or

(2) The proceeds consist of the specific goods covered by the chattel paper or cash proceeds of the specific goods, even if the purchaser's security interest in the proceeds is unperfected.

(d) **Instrument purchaser's priority.** Except as otherwise provided in RCW 62A.9A-331(a), a purchaser of an instrument has priority over a security interest in the instrument perfected by a method other than possession if the purchaser gives value and takes possession of the instrument in good faith and without knowledge that the purchase violates the rights of the secured party.

(e) **Holder of purchase-money security interest gives new value.** For purposes of subsections (a) and (b) of this section, the holder of a purchase-money security interest in inventory gives new value for chattel paper constituting proceeds of the inventory.

(f) **Indication of assignment gives knowledge.** For purposes of subsections (b) and (d) of this section, if the authoritative copies of the record evidencing chattel paper or an instrument indicate((~~s~~)) that ((~~it~~))the chattel paper or instrument has been assigned to an identified secured party other than the purchaser, a purchaser of the chattel paper or instrument has knowledge that the purchase violates the rights of the secured party.

**Sec. 929.** RCW 62A.9A-331 and 2001 c 32 s 30 are each amended to read as follows:

(a) **Rights under Articles 3, 7, ((~~and~~)) 8, and 12 not limited.** This Article does not limit the rights of a holder in due course of a negotiable instrument, a holder to which a negotiable document of title has been duly negotiated, ((~~or~~)) a protected purchaser of a security, or a qualifying purchaser of a controllable account, controllable electronic record, or controllable payment intangible. These holders or purchasers take priority over an earlier security interest, even if perfected, to the extent provided in Articles 3, 7, ((~~and~~)) 8, and 12.

(b) **Protection under Articles 8 and 12.** This Article does not limit the rights of or impose liability on a person to the extent that the person is protected against the assertion of a claim under Article 8 or 12.

(c) **Filing not notice.** Filing under this Article does not constitute notice of a claim or defense to the holders, or purchasers, or persons described in subsections (a) and (b) of this section.

**Sec. 930.** RCW 62A.9A-332 and 2000 c 250 s 9A-332 are each amended to read as follows:

(a) **Transferee of tangible money.** A transferee of tangible money takes the money free of a security interest ((~~unless the transferee acts~~))if the transferee receives possession of the money without acting in collusion with the debtor in violating the rights of the secured party.

(b) **Transferee of funds from deposit account.** A transferee of funds from a deposit account takes the funds free of a security interest in the deposit account ((~~unless the transferee acts~~))if the transferee receives possession of the money without acting in collusion with the debtor in violating the rights of the secured party.

(c) **Transferee of electronic money.** A transferee of electronic money takes the money free of a security interest if the transferee obtains control of the money without acting in collusion with the debtor in violating the rights of the secured party.

**Sec. 931.** RCW 62A.9A-334 and 2001 c 32 s 32 are each amended to read as follows:

(a) **Security interest in fixtures under this Article.** A security interest under this Article may be created in goods that are fixtures or may continue in goods that become fixtures. A security interest does not exist under this Article in ordinary building materials incorporated into an improvement on land.

(b) **Security interest in fixtures under real-property law.** This Article does not prevent creation of an encumbrance upon fixtures under real property law.

(c) **General rule: Subordination of security interest in fixtures.** In cases not governed by subsections (d) through (h) of this section, a security interest in fixtures is subordinate to a conflicting interest of an encumbrancer or owner of the related real property other than the debtor.

(d) **Fixtures purchase-money priority.** Except as otherwise provided in subsection (h) of this section, a perfected security interest in fixtures has priority over a conflicting interest of an encumbrancer or owner of the real property if the debtor has an interest of record in, or is in possession of, the real property and:

(1) The security interest is a purchase-money security interest;

(2) The interest of the encumbrancer or owner arises before the goods become fixtures; and

(3) The security interest is perfected by a fixture filing before the goods become fixtures or within twenty days thereafter.

(e) **Priority of security interest in fixtures over interests in real property.** A perfected security interest in fixtures has priority over a conflicting interest of an encumbrancer or owner of the real property if:

(1) The debtor has an interest of record in the real property or is in possession of the real property and the security interest:

(A) Is perfected by a fixture filing before the interest of the encumbrancer or owner is of record; and

(B) Has priority over any conflicting interest of a predecessor in title of the encumbrancer or owner;

(2) Before the goods become fixtures, the security interest is perfected by any method permitted by this Article and the fixtures are readily removable:

(A) Factory or office machines;

(B) Equipment that is not primarily used or leased for use in the operation of the real property; or

(C) Replacements of domestic appliances that are consumer goods; or

(3) The conflicting interest is a lien on the real property obtained by legal or equitable proceedings after the security

interest was perfected by any method permitted by this Article.

(f) **Priority based on consent, disclaimer, or right to remove.** A security interest in fixtures, whether or not perfected, has priority over a conflicting interest of an encumbrancer or owner of the real property if:

(1) The encumbrancer or owner has, in ((~~an authenticated~~))a signed record, consented to the security interest or disclaimed an interest in the goods as fixtures; or

(2) The debtor has a right to remove the goods as against the encumbrancer or owner.

(g) **Continuation of subsection (f)(2) priority.** The priority of the security interest under subsection (f)(2) of this section continues for a reasonable time if the debtor's right to remove the goods as against the encumbrancer or owner terminates.

(h) **Priority of construction mortgage.** A mortgage is a construction mortgage to the extent that it secures an obligation incurred for the construction of an improvement on land, including the acquisition cost of the land, if a recorded record of the mortgage so indicates. Except as otherwise provided in subsections (e) and (f) of this section, a security interest in fixtures is subordinate to a construction mortgage if a record of the mortgage is recorded before the goods become fixtures and the goods become fixtures before the completion of the construction. A mortgage has this priority to the same extent as a construction mortgage to the extent that it is given to refinance a construction mortgage.

(i) **Priority of security interest in crops.** A perfected security interest in crops growing on real property has priority over a conflicting interest of an encumbrancer or owner of the real property if the debtor has an interest of record in or is in possession of the real property.

(j) **Subsection (i) prevails.** Subsection (i) of this section prevails over inconsistent provisions of any other statute except RCW 60.11.050.

**Sec. 932.** RCW 62A.9A-341 and 2000 c 250 s 9A-341 are each amended to read as follows:

Except as otherwise provided in RCW 62A.9A-340(c), and unless the bank otherwise agrees in ((~~an authenticated~~))a signed record, a bank's rights and duties with respect to a deposit account maintained with the bank are not terminated, suspended, or modified by:

(1) The creation, attachment, or perfection of a security interest in the deposit account;

(2) The bank's knowledge of the security interest; or

(3) The bank's receipt of instructions from the secured party.

**Sec. 933.** RCW 62A.9A-404 and 2000 c 250 s 9A-404 are each amended to read as follows:

(a) **Assignee's rights subject to terms, claims, and defenses; exceptions.** Unless an account debtor has made an enforceable agreement not to assert defenses or claims, and subject to subsections (b) through (e) of this section, the rights of an assignee are subject to:

(1) All terms of the agreement between the account debtor and assignor and any defense or claim in recoupment arising from the transaction that gave rise to the contract; and

(2) Any other defense or claim of the account debtor against the assignor which accrues before the account debtor receives a notification of the assignment ((~~authenticated~~))signed by the assignor or the assignee.

(b) **Account debtor's claim reduces amount owed to assignee.** Subject to subsection (c) of this section, and except as otherwise provided in subsection (d) of this section, the claim of an account debtor against an assignor may be asserted against an assignee under subsection (a) of this section only to reduce the amount the account debtor owes.

(c) **Rule for individual under other law.** This section is subject to law other than this Article which establishes a different rule for an account debtor who is an individual and who incurred the obligation primarily for personal, family, or household purposes.

(d) **Omission of required statement in consumer transaction.** In a consumer transaction, if a record evidences the account debtor's obligation, law other than this Article requires that the record include a statement to the effect that the account debtor's recovery against an assignee with respect to claims and defenses against the assignor may not exceed amounts paid by the account debtor under the record, and the record does not include such a statement, the extent to which a claim of an account debtor against the assignor may be asserted against an assignee is determined as if the record included such a statement.

(e) **Inapplicability to health-care-insurance receivable.** This section does not apply to an assignment of a health-care-insurance receivable.

**Sec. 934.** RCW 62A.9A-406 and 2011 c 74 s 301 are each amended to read as follows:

(a) **Discharge of account debtor; effect of notification.** Subject to subsections (b) through ((~~(j)~~))(l) of this section, an account debtor on an account, chattel paper, or a payment intangible may discharge its obligation by paying the assignor until, but not after, the account debtor receives a notification, ((~~authenticated~~))signed by the assignor or the assignee, that the amount due or to become due has been assigned and that payment is to be made to the assignee. After receipt of the notification, the account debtor may discharge its obligation by paying the assignee and may not discharge the obligation by paying the assignor.

(b) **When notification ineffective.** Subject to subsections (h) and (l) of this section, notification is ineffective under subsection (a) of this section:

(1) If it does not reasonably identify the rights assigned;

(2) To the extent that an agreement between an account debtor and a seller of a payment intangible limits the account debtor's duty to pay a person other than the seller and the limitation is effective under law other than this Article; or

(3) At the option of an account debtor, if the notification notifies the account debtor to make less than the full amount of any installment or other periodic payment to the assignee, even if:

(A) Only a portion of the account, chattel paper, or payment intangible has been assigned to that assignee;

(B) A portion has been assigned to another assignee; or

(C) The account debtor knows that the assignment to that assignee is limited.

(c) **Proof of assignment.** Subject to subsections (h) and (l) of this section, if requested by the account debtor, an assignee shall seasonably furnish reasonable proof that the assignment has been made. Unless the assignee complies, the account debtor may discharge its obligation by paying the assignor, even if the account debtor has received a notification under subsection (a) of this section.

(d) **Term restricting assignment generally ineffective.** In this subsection, "promissory note" includes a negotiable instrument that evidences chattel paper. Except as otherwise provided in subsections (e) and (k) of this section and RCW 62A.2A-303 and 62A.9A-407, and subject to subsections (h) and (j) of this section, a term in an agreement between an account debtor and an assignor or in a promissory note is ineffective to the extent that it:

(1) Prohibits, restricts, or requires the consent of the account debtor or person obligated on the promissory note to the assignment or transfer of, or the creation, attachment, perfection, or enforcement of a security interest in, the account, chattel paper, payment intangible, or promissory note; or

(2) Provides that the assignment or transfer or the creation, attachment, perfection, or enforcement of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the account, chattel paper, payment intangible, or promissory note.

(e) **Inapplicability of subsection (d) of this section to certain sales.** Subsection (d) of this section does not apply to the sale of a payment intangible or promissory note, other than a sale pursuant to a disposition under RCW 62A.9A-610 or an acceptance of collateral under RCW 62A.9A-620.

(f) [Reserved.]

(g) **Subsection (b)(3) of this section not waivable.** Subject to subsections (h) and (l) of this section, an account debtor may not waive or vary its option under subsection (b)(3) of this section.

(h) **Rule for individual under other law.** This section is subject to law other than this Article which establishes a different rule for an account debtor who is an individual and who incurred the obligation primarily for personal, family, or household purposes.

(i) **Inapplicability to health-care-insurance receivable.** This section does not apply to an assignment of a health-care-insurance receivable.

(j)(1) **Inapplicability of subsection (d) of this section to certain transactions.** After July 1, 2003, subsection (d) of this section does not apply to the assignment or transfer of or creation of a security interest in:

(A) A claim or right to receive compensation for injuries or sickness as described in 26 U.S.C. Sec. 104(a)(1) or (2); or

(B) A claim or right to receive benefits under a special needs trust as described in 42 U.S.C. Sec. 1396p(d)(4).

(2) This subsection will not affect a transfer of structured settlement payment rights under chapter 19.205 RCW.

(k) **Inapplicability to interests in certain entities.** Subsection (d) of this section does not apply to a security interest in an ownership interest in a general partnership, limited partnership, or limited liability company.

(l) **Inapplicability of certain subsections.** Subsections (a), (b), (c), and (g) of this section do not apply to a controllable account or controllable payment intangible.

**Sec. 935.** RCW 62A.9A-408 and 2011 c 74 s 302 are each amended to read as follows:

(a) **Term restricting assignment generally ineffective.** Except as otherwise provided in subsections (b) and (f) of this section, a term in a promissory note or in an agreement between an account debtor and a debtor which relates to a health-care-insurance receivable or a general intangible, including a contract, permit, license, or franchise, and which term prohibits, restricts, or requires the consent of the person obligated on the promissory note or the account debtor to, the assignment or transfer of, or creation, attachment, or perfection of a security interest in, the promissory note, health-care-insurance receivable, or general intangible, is ineffective to the extent that the term:

(1) Would impair the creation, attachment, or perfection of a security interest; or

(2) Provides that the assignment or transfer or the creation, attachment, or perfection of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the promissory note, health-care-insurance receivable, or general intangible.

(b) **Applicability of subsection (a) of this section to sales of certain rights to payment.** Subsection (a) of this section applies to a security interest in a payment intangible or promissory note only if the security interest arises out of a sale of the payment intangible or promissory note, other than a sale pursuant to a disposition under RCW 62A.9A-610 or an acceptance of collateral under RCW 62A.9A-620.

(c) **Legal restrictions on assignment generally ineffective.** ((~~A~~)) Except as otherwise provided in subsection (f) of this

section, a rule of law, statute, or regulation that prohibits, restricts, or requires the consent of a government, governmental body or official, person obligated on a promissory note, or account debtor to the assignment or transfer of, or creation of a security interest in, a promissory note, health-care-insurance receivable, or general intangible, including a contract, permit, license, or franchise between an account debtor and a debtor, is ineffective to the extent that the rule of law, statute, or regulation:

(1) Would impair the creation, attachment, or perfection of a security interest; or

(2) Provides that the assignment or transfer or the creation, attachment, or perfection of the security interest may give rise to a default, breach, right of recoupment, claim, defense, termination, right of termination, or remedy under the promissory note, health-care-insurance receivable, or general intangible.

(d) **Limitation on ineffectiveness under subsections (a) and (c) of this section.** To the extent that a term in a promissory note or in an agreement between an account debtor and a debtor which relates to a health-care-insurance receivable or general intangible or a rule of law, statute, or regulation described in subsection (c) of this section would be effective under law other than this Article but is ineffective under subsection (a) or (c) of this section, the creation, attachment, or perfection of a security interest in the promissory note, health-care-insurance receivable, or general intangible:

(1) Is not enforceable against the person obligated on the promissory note or the account debtor;

(2) Does not impose a duty or obligation on the person obligated on the promissory note or the account debtor;

(3) Does not require the person obligated on the promissory note or the account debtor to recognize the security interest, pay or render performance to the secured party, or accept payment or performance from the secured party;

(4) Does not entitle the secured party to use or assign the debtor's rights under the promissory note, health-care-insurance receivable, or general intangible, including any related information or materials furnished to the debtor in the transaction giving rise to the promissory note, health-care-insurance receivable, or general intangible;

(5) Does not entitle the secured party to use, assign, possess, or have access to any trade secrets or confidential information of the person obligated on the promissory note or the account debtor; and

(6) Does not entitle the secured party to enforce the security interest in the promissory note, health-care-insurance receivable, or general intangible.

(e)(1) **Inapplicability of subsections (a) and (c) of this section to certain payment intangibles.** After July 1, 2003, subsections (a) and (c) of this section do not apply to the assignment or transfer of or creation of a security interest in:

(A) A claim or right to receive compensation for injuries or sickness as described in 26 U.S.C. Sec. 104(a)(1) or (2); or

(B) A claim or right to receive benefits under a special needs trust as described in 42 U.S.C. Sec. 1396p(d)(4).

(2) This subsection will not affect a transfer of structured settlement payment rights under chapter 19.205 RCW.

(f) **Inapplicability to interests in certain entities.** This section does not apply to a security interest in an ownership interest in a general partnership, limited partnership, or limited liability company.

(g)**"Promissory note."** In this section, "promissory note" includes a negotiable instrument that evidences chattel paper.

**Sec. 936.** RCW 62A.9A-509 and 2001 c 32 s 36 are each amended to read as follows:

(a) **Person entitled to file record.** A person may file an initial financing statement, amendment that adds collateral covered by a financing statement, or amendment that adds a debtor to a financing statement only if:

(1) The debtor authorizes the filing in ((~~an authenticated~~))a signed record or pursuant to subsection (b) or (c) of this section; or

(2) The person holds an agricultural lien that has become effective at the time of filing and the financing statement covers only collateral in which the person holds an agricultural lien.

(b) **Security agreement as authorization.** By ((~~authenticating~~))signing or becoming bound as debtor by a security agreement, a debtor or new debtor authorizes the filing of an initial financing statement, and an amendment, covering:

(1) The collateral described in the security agreement; and

(2) Property that becomes collateral under RCW 62A.9A-315(a)(2), whether or not the security agreement expressly covers proceeds.

(c) **Acquisition of collateral as authorization.** By acquiring collateral in which a security interest or agricultural lien continues under RCW 62A.9A-315(a)(1), a debtor authorizes the filing of an initial financing statement, and an amendment, covering the collateral and property that becomes collateral under RCW 62A.9A-315(a)(2).

(d) **Person entitled to file certain amendments.** A person may file an amendment other than an amendment that adds collateral covered by a financing statement or an amendment that adds a debtor to a financing statement only if:

(1) The secured party of record authorizes the filing; or

(2) The amendment is a termination statement for a financing statement as to which the secured party of record has failed to file or send a termination statement as required by RCW 62A.9A-513 (a) or (c), the debtor authorizes the filing, and the termination statement indicates that the debtor authorized it to be filed.

(e) **Multiple secured parties of record.** If there is more than one secured party of

record for a financing statement, each secured party of record may authorize the filing of an amendment under subsection (d) of this section.

**Sec. 937.** RCW 62A.9A-513 and 2001 c 32 s 37 are each amended to read as follows:

(a) **Consumer goods.** A secured party shall cause the secured party of record for a financing statement to file a termination statement for the financing statement if the financing statement covers consumer goods and:

(1) There is no obligation secured by the collateral covered by the financing statement and no commitment to make an advance, incur an obligation, or otherwise give value; or

(2) The debtor did not authorize the filing of the initial financing statement.

(b) **Time for compliance with subsection (a) of this section.** To comply with subsection (a) of this section, a secured party shall cause the secured party of record to file the termination statement:

(1) Within one month after there is no obligation secured by the collateral covered by the financing statement and no commitment to make an advance, incur an obligation, or otherwise give value; or

(2) If earlier, within ((~~twenty~~))20 days after the secured party receives ((~~an authenticated~~))a signed demand from a debtor.

(c) **Other collateral.** In cases not governed by subsection (a) of this section, within ((~~twenty~~))20 days after a secured party receives ((~~an authenticated~~))a signed demand from a debtor, the secured party shall cause the secured party of record for a financing statement to send to the debtor a termination statement for the financing statement or file the termination statement in the filing office if:

(1) Except in the case of a financing statement covering accounts or chattel paper that has been sold or goods that are the subject of a consignment, there is no obligation secured by the collateral covered by the financing statement and no commitment to make an advance, incur an obligation, or otherwise give value;

(2) The financing statement covers accounts or chattel paper that has been sold but as to which the account debtor or other person obligated has discharged its obligation;

(3) The financing statement covers goods that were the subject of a consignment to the debtor but are not in the debtor's possession; or

(4) The debtor did not authorize the filing of the initial financing statement.

(d) **Effect of filing termination statement.** Except as otherwise provided in RCW 62A.9A-510, upon the filing of a termination statement with the filing office, the financing statement to which the termination statement relates ceases to be effective. Except as otherwise provided in RCW 62A.9A-510, for purposes of RCW 62A.9A-519(g), 62A.9A-522(a), and 62A.9A-523(c), the filing with the filing office of a termination statement relating to a financing statement that indicates that the debtor is a transmitting utility also causes the effectiveness of the financing statement to lapse.

**Sec. 938.** RCW 62A.9A-601 and 2012 c 214 s 1518 are each amended to read as follows:

(a) **Rights of secured party after default.** After default, a secured party has the rights provided in this part and, except as otherwise provided in RCW 62A.9A-602, those provided by agreement of the parties. A secured party:

(1) May reduce a claim to judgment, foreclose, or otherwise enforce the claim, security interest, or agricultural lien by any available judicial procedure; and

(2) If the collateral is documents, may proceed either as to the documents or as to the goods they cover.

(b) **Rights and duties of secured party in possession or control.** A secured party in possession of collateral or control of collateral under RCW 62A.7-106, 62A.9A-104, 62A.9A-105, 62A.9A-106, or 62A.9A-107 or section 904 or 905 of this act has the rights and duties provided in RCW 62A.9A-207.

(c) **Rights cumulative; simultaneous exercise.** The rights under subsections (a) and (b) of this section are cumulative and may be exercised simultaneously.

(d) **Rights of debtor and obligor.** Except as otherwise provided in subsection (g) of this section and RCW 62A.9A-605, after default, a debtor and an obligor have the rights provided in this part and by agreement of the parties.

(e) **Lien of levy after judgment.** If a secured party has reduced its claim to judgment, the lien of any levy that may be made upon the collateral by virtue of an execution based upon the judgment relates back to the earliest of:

(1) The date of perfection of the security interest or agricultural lien in the collateral;

(2) The date of filing a financing statement covering the collateral; or

(3) Any date specified in a statute under which the agricultural lien was created.

(f) **Execution sale.** A sale pursuant to an execution is a foreclosure of the security interest or agricultural lien by judicial procedure within the meaning of this section. A secured party may purchase at the sale and thereafter hold the collateral free of any other requirements of this Article.

(g) **Consignor or buyer of certain rights to payment.** Except as otherwise provided in RCW 62A.9A-607(c), this part imposes no duties upon a secured party that is a consignor or is a buyer of accounts, chattel paper, payment intangibles, or promissory notes.

(h) **Enforcement restrictions.** All rights and remedies provided in this part with respect to promissory notes or an agreement between an account debtor and a debtor which relates to a health-care-insurance receivable or a general intangible, including a contract, permit, license, or franchise, are subject to RCW 62A.9A-408 to the extent applicable.

**Sec. 939.** RCW 62A.9A-605 and 2000 c 250 s 9A-605 are each amended to read as follows:

((~~A~~))(a) **In general: No duty owed by secured party.** Except as provided in subsection (b) of this section, a secured party does not owe a duty based on its status as secured party:

(1) To a person that is a debtor or obligor, unless the secured party knows:

(A) That the person is a debtor or obligor;

(B) The identity of the person; and

(C) How to communicate with the person; or

(2) To a secured party or lienholder that has filed a financing statement against a person, unless the secured party knows:

(A) That the person is a debtor; and

(B) The identity of the person.

(b) **Exception: Secured party owes duty to debtor or obligor.** A secured party owes a duty based on its status as a secured party to a person if, at the time the secured party obtains control of collateral that is a controllable account, controllable electronic record, or controllable payment intangible or at the time the security interest attaches to the collateral, whichever is later:

(1) The person is a debtor or obligor; and

(2) The secured party knows that the information in subsection (a)(1)(A), (B), or (C) of this section relating to the person is not provided by the collateral, a record attached to or logically associated with the collateral, or the system in which the collateral is recorded.

**Sec. 940.** RCW 62A.9A-608 and 2001 c 32 s 41 are each amended to read as follows:

(a) **Application of proceeds, surplus, and deficiency if obligation secured.** If a security interest or agricultural lien secures payment or performance of an obligation, the following rules apply:

(1) A secured party shall apply or pay over for application the cash proceeds of collection or enforcement under RCW 62A.9A-607 in the following order to:

(A) The reasonable expenses of collection and enforcement and, to the extent provided for by agreement and not prohibited by law, reasonable attorneys' fees and legal expenses incurred by the secured party;

(B) The satisfaction of obligations secured by the security interest or agricultural lien under which the collection or enforcement is made; and

(C) The satisfaction of obligations secured by any subordinate security interest in or other lien on the collateral subject to the security interest or agricultural lien under which the collection or enforcement is made if the secured party receives ((~~an authenticated~~))a signed demand for proceeds before distribution of the proceeds is completed.

(2) If requested by a secured party, a holder of a subordinate security interest or other lien shall furnish reasonable proof of the interest or lien within a reasonable time. Unless the holder complies, the secured party need not comply with the holder's demand under (1)(C) of this subsection.

(3) A secured party need not apply or pay over for application noncash proceeds of collection and enforcement under RCW 62A.9A-607 unless the failure to do so would be commercially unreasonable. A secured party that applies or pays over for application noncash proceeds shall do so in a commercially reasonable manner.

(4) A secured party shall account to and pay a debtor for any surplus, and the obligor is liable for any deficiency.

(b) **No surplus or deficiency in sales of certain rights to payment.** If the underlying transaction is a sale of accounts, chattel paper, payment intangibles, or promissory notes, the debtor is not entitled to any surplus, and the obligor is not liable for any deficiency.

**Sec. 941.** RCW 62A.9A-611 and 2011 c 74 s 724 are each amended to read as follows:

(a) **"Notification date."** In this section, "notification date" means the earlier of the date on which:

(1) A secured party sends to the debtor and any secondary obligor an ((~~authenticated~~))a signed notification of disposition; or

(2) The debtor and any secondary obligor waive the right to notification.

(b) **Notification of disposition required.** Except as otherwise provided in subsection (d) of this section, a secured party that disposes of collateral under RCW 62A.9A-610 shall send to the persons specified in subsection (c) of this section a reasonable ((~~authenticated~~))signed notification of disposition.

(c) **Persons to be notified.** To comply with subsection (b) of this section, the secured party shall send ((~~an authenticated~~))a signed notification of disposition to:

(1) The debtor;

(2) Any secondary obligor; and

(3) If the collateral is other than consumer goods:

(A) Any other secured party or lienholder that, ((~~ten~~))10 days before the notification date, held a security interest in or other lien on the collateral perfected by the filing of a financing statement that:

(i) Identified the collateral;

(ii) Was indexed under the debtor's name as of that date; and

(iii) Was filed in the office in which to file a financing statement against the debtor covering the collateral as of that date; and

(B) Any other secured party that, ((~~ten~~))10 days before the notification date, held a security interest in the collateral perfected by compliance with a statute, regulation, or treaty described in RCW 62A.9A-311(a).

(d) **Subsection (b) of this section inapplicable: Perishable collateral; recognized market.** Subsection (b) of this section does not apply if the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market.

(e) **Compliance with subsection (c)(3)(A) of this section.** A secured party complies with the requirement for notification prescribed by subsection (c)(3)(A) of this section if:

(1) Not later than ((~~twenty~~))20 days or earlier than ((~~thirty~~))30 days before the notification date, the secured party requests, in a commercially reasonable manner, information concerning financing statements indexed under the debtor's name in the office indicated in subsection (c)(3)(A) of this section; and

(2) Before the notification date, the secured party:

(A) Did not receive a response to the request for information; or

(B) Received a response to the request for information and sent ((~~an authenticated~~))a signed notification of disposition to each secured party or other lienholder named in that response whose financing statement covered the collateral.

**Sec. 942.** RCW 62A.9A-613 and 2001 c 32 s 42 are each amended to read as follows:

(a) **Contents and form of notification.** Except in a consumer-goods transaction, the following rules apply:

(1) The contents of a notification of disposition are sufficient if the notification:

(A) Describes the debtor and the secured party;

(B) Describes the collateral that is the subject of the intended disposition;

(C) States the method of intended disposition;

(D) States that the debtor is entitled to an accounting of the unpaid indebtedness and states the charge, if any, for an accounting; and

(E) States the time and place of a public disposition or the time after which any other disposition is to be made.

(2) Whether the contents of a notification that lacks any of the information specified in subsection (1) of this section are nevertheless sufficient is a question of fact.

(3) The contents of a notification providing substantially the information specified in subsection (1) of this section are sufficient, even if the notification includes:

(A) Information not specified by subsection (1) of this section; or

(B) Minor errors that are not seriously misleading.

(4) A particular phrasing of the notification is not required.

(5) The following form of notification and the form appearing in RCW 62A.9A-614(a)(3), when completed in accordance with the instructions in subsection (b) of this section and RCW 62A.9A-614(b), each provides sufficient information:

**NOTIFICATION OF DISPOSITION OF COLLATERAL**

((~~To: [*Name of debtor, obligor, or other person to which the notification is sent*]~~

~~From: [*Name, address, and telephone number of secured party*]~~

~~Name of Debtor(s): [*Include only if debtor(s) are not an addressee*]~~

~~[*For a public disposition:*]~~

~~We will sell [or lease or license, *as applicable*] the [*describe collateral*] [to the highest qualified bidder] in public as follows:~~

~~Day and Date:~~

~~Time:~~

~~Place:~~

~~[*For a private disposition:*]~~

~~We will sell [or lease or license, *as applicable*] the [*describe collateral*] privately sometime after [*day and date*].~~

~~You are entitled to an accounting of the unpaid indebtedness secured by the property that we intend to sell [or lease or license, *as applicable*] [for a charge of $].~~ ~~You may request an accounting by calling us at [*telephone number*].~~))

To: (Name of debtor, obligor, or other person to which the notification is sent)

From: (Name, address, and telephone number of secured party)

{1} Name of any debtor that is not an addressee: (Name of each debtor)

{2} We will sell (describe collateral) (to the highest qualified bidder) at public sale. A sale could include a lease or license. The sale will be held as follows:

(Date)

(Time)

(Place)

{3} We will sell (describe collateral) at private sale sometime after (date). A sale could include a lease or license.

{4} You are entitled to an accounting of the unpaid indebtedness secured by the property that we intend to sell or, as applicable, lease or license.

{5} If you request an accounting you must pay a charge of $(amount).

{6} You may request an accounting by calling us at (telephone number).

**[End of Form]**

(b) **Instructions for form of notification.** The following instructions apply to the form of notification in subsection (a)(5) of this section:

(1) The instructions in this subsection refer to the numbers in braces before items in the form of notification in subsection (a)(5) of this section. Do not include the numbers or braces in the notification. The numbers and braces are used only for the purpose of these instructions.

(2) Include and complete item {1} only if there is a debtor that is not an addressee of the notification and list the name or names.

(3) Include and complete either item {2}, if the notification relates to a public disposition of the collateral, or item {3}, if the notification relates to a private disposition of the collateral. If item {2} is included, include the words "to the highest qualified bidder" only if applicable.

(4) Include and complete items {4} and {6}.

(5) Include and complete item {5} only if the sender will charge the recipient for an accounting.

**Sec. 943.** RCW 62A.9A-614 and 2000 c 250 s 9A-614 are each amended to read as follows:

(a) **Contents and form of notification.** In a consumer-goods transaction, the following rules apply:

(1) A notification of disposition must provide the following information:

(A) The information specified in RCW 62A.9A-613(a)(1);

(B) A description of any liability for a deficiency of the person to which the notification is sent;

(C) A telephone number from which the amount that must be paid to the secured party to redeem the collateral under RCW 62A.9A-623 is available; and

(D) A telephone number or mailing address from which additional information concerning the disposition and the obligation secured is available.

(2) A particular phrasing of the notification is not required.

(3) The following form of notification, when completed in accordance with the instructions in subsection (b) of this section, provides sufficient information:

((~~[*Name and address of secured party*]~~

~~[*Date*]~~

**NOTICE OF OUR PLAN TO SELL PROPERTY**

~~[*Name and address of any obligor who is also a debtor*]~~

~~Subject: [*Identification of Transaction*]~~

~~We have your [*describe collateral*], because you broke promises in our agreement.~~

~~[*For a public disposition:*]~~

~~We will sell [*describe collateral*] at public sale. A sale could include a lease or license. The sale will be held as follows:~~

~~Date:~~

~~Time:~~

~~Place:~~

~~You may attend the sale and bring bidders if you want.~~

~~[*For a private disposition:*]~~

~~We will sell [*describe collateral*] at private sale sometime after [*date*]. A sale could include a lease or license.~~

~~The money that we get from the sale (after paying our costs) will reduce the amount you owe. If we get less money than you owe, you [*will or will not, as applicable*] still owe us the difference. If we get more money than you owe, you will get the extra money, unless we must pay it to someone else.~~

~~You can get the property back at any time before we sell it by paying us the full amount you owe (not just the past due payments), including our expenses. To learn the exact amount you must pay, call us at [*telephone number*].~~

~~If you want us to explain to you in writing how we have figured the amount that you owe us, you may call us at [*telephone number*] [or write us at [*secured party's address*]] and request a written explanation. [We will charge you $ for the explanation if we sent you another written explanation of the amount you owe us within the last six months.]~~

~~If you need more information about the sale call us at [*telephone number*] [or write us at [*secured party's address*]].~~

~~We are sending this notice to the following other people who have an interest in [*describe collateral*] or who owe money under your agreement:~~

~~[*Names of all other debtors and obligors, if any*])~~

(Name and address of secured party)

(Date)

**NOTICE OF OUR PLAN TO SELL PROPERTY**

(Name and address of any obligor who is also a debtor)

Subject: (Identify transaction)

We have your (describe collateral), because you broke promises in our agreement.

{1} We will sell (describe collateral) at public sale. A sale could include a lease or license. The sale will be held as follows:

(Date)

(Time)

(Place)

You may attend the sale and bring bidders if you want.

{2} We will sell (describe collateral) at private sale sometime after (date). A sale could include a lease or license.

{3} The money that we get from the sale, after paying our costs, will reduce the amount you owe. If we get less money than you owe, you (will or will not, as applicable) still owe us the difference. If we get more money than you owe, you will get the extra money, unless we must pay it to someone else.

{4} You can get the property back at any time before we sell it by paying us the full amount you owe, not just the past due payments, including our expenses. To learn the exact amount you must pay, call us at (telephone number).

{5} If you want us to explain to you in (writing) (writing or in (description of electronic record)) (description of electronic record) how we have figured the amount that you owe us, {6} call us at (telephone number) (or) (write us at (secured party's address)) (or contact us by (description of electronic communication method)) {7} and request (a written explanation) (a written explanation or an explanation in (description of electronic record)) (an explanation in (description of electronic record)).

{8} We will charge you $ (amount) for the explanation if we sent you another written explanation of the amount you owe us within the last six months.

{9} If you need more information about the sale (call us at (telephone number)) (or) (write us at (secured party's address)) (or contact us by (description of electronic communication method)).

{10} We are sending this notice to the following other people who have an interest in (describe collateral) or who owe money under your agreement:

(Names of all other debtors and obligors, if any)

**[End of Form]**

(b) **Instructions for form of notification.** The following instructions apply to the form of notification in subsection (a)(3) of this section:

(1) The instructions in this subsection refer to the numbers in braces before items in the form of notification in subsection (a)(3) of this section. Do not include the numbers or braces in the notification. The numbers and braces are used only for the purpose of these instructions.

(2) Include and complete either item {1}, if the notification relates to a public disposition of the collateral, or item {2}, if the notification relates to a private disposition of the collateral.

(3) Include and complete items {3}, {4}, {5}, {6}, and {7}.

(4) In item {5}, include and complete any one of the three alternative methods for the explanation—writing, writing or electronic record, or electronic record.

(5) In item {6}, include the telephone number. In addition, the sender may include and complete either or both of the two additional alternative methods of communication—writing or electronic communication—for the recipient of the notification to communicate with the sender. Neither of the two additional methods of communication is required to be included.

(6) In item {7}, include and complete the method or methods for the explanation—writing, writing or electronic record, or electronic record—included in item {5}.

(7) Include and complete item {8} only if a written explanation is included in item {5} as a method for communicating the explanation and the sender will charge the recipient for another written explanation.

(8) In item {9}, include either the telephone number or the address or both the telephone number and the address. In addition, the sender may include and complete the additional method of communication—electronic communication—for the recipient of the notification to communicate with the sender. The additional method of electronic communication is not required to be included.

(9) If item {10} does not apply, insert "None" after "agreement:".

((~~(4)~~))(c)(1) A notification in the form of ((~~{subsection}~~))subsection (a)(3) of this section is sufficient, even if additional information appears at the end of the form.

((~~(5)~~))(2) A notification in the form of ((~~{subsection}~~))subsection (a)(3) of this section is sufficient, even if it includes errors in information not required by ((~~{subsection}~~))subsection (a)(1) of this section, unless the error is misleading with respect to rights arising under this Article.

((~~(6)~~))(3) If a notification under this section is not in the form of ((~~{subsection}~~))subsection (a)(3) of this section, law other than this Article determines the effect of including information not required by ((~~{subsection}~~))subsection (a)(1) of this section.

**Sec. 944.** RCW 62A.9A-615 and 2001 c 32 s 43 are each amended to read as follows:

(a) **Application of proceeds.** A secured party shall apply or pay over for application the cash proceeds of disposition under RCW 62A.9A-610 in the following order to:

(1) The reasonable expenses of retaking, holding, preparing for disposition, processing, and disposing, and, to the extent provided for by agreement and not prohibited by law, reasonable attorneys' fees and legal expenses incurred by the secured party;

(2) The satisfaction of obligations secured by the security interest or agricultural lien under which the disposition is made;

(3) The satisfaction of obligations secured by any subordinate security interest in or other subordinate lien on the collateral if:

(A) The secured party receives from the holder of the subordinate security interest or other lien ((~~an authenticated~~))a signed demand for proceeds before distribution of the proceeds is completed; and

(B) In a case in which a consignor has an interest in the collateral, the subordinate security interest or other lien is senior to the interest of the consignor; and

(4) A secured party that is a consignor of the collateral if the secured party receives from the consignor ((~~an authenticated~~))a signed demand for proceeds before distribution of the proceeds is completed.

(b) **Proof of subordinate interest.** If requested by a secured party, a holder of a subordinate security interest or other lien shall furnish reasonable proof of the interest or lien within a reasonable time. Unless the holder does so, the secured party need not comply with the holder's demand under subsection (a)(3) of this section.

(c) **Application of noncash proceeds.** A secured party need not apply or pay over for application noncash proceeds of disposition under RCW 62A.9A-610 unless the failure to do so would be commercially unreasonable. A secured party that applies or pays over for application noncash proceeds shall do so in a commercially reasonable manner.

(d) **Surplus or deficiency if obligation secured.** If the security interest under which a disposition is made secures payment or performance of an obligation, after making the payments and applications required by subsection (a) of this section and permitted by subsection (c) of this section:

(1) Unless subsection (a)(4) of this section requires the secured party to apply or pay over cash proceeds to a consignor, the secured party shall account to and pay a debtor for any surplus; and

(2) The obligor is liable for any deficiency.

(e) **No surplus or deficiency in sales of certain rights to payment.** If the underlying transaction is a sale of accounts, chattel paper, payment intangibles, or promissory notes:

(1) The debtor is not entitled to any surplus; and

(2) The obligor is not liable for any deficiency.

(f) [Reserved.]

(g) **Cash proceeds received by junior secured party.** A secured party that receives cash proceeds of a disposition in good faith and without knowledge that the receipt violates the rights of the holder of a security interest or other lien that is not subordinate to the security interest or agricultural lien under which the disposition is made:

(1) Takes the cash proceeds free of the security interest or other lien;

(2) Is not obligated to apply the proceeds of the disposition to the satisfaction of obligations secured by the security interest or other lien; and

(3) Is not obligated to account to or pay the holder of the security interest or other lien for any surplus.

**Sec. 945.** RCW 62A.9A-616 and 2000 c 250 s 9A-616 are each amended to read as follows:

(a) **Definitions.** In this section:

(1) "Explanation" means a ((~~writing~~))record that:

(A) States the amount of the surplus or deficiency;

(B) Provides an explanation in accordance with subsection (c) of this section of how the secured party calculated the surplus or deficiency;

(C) States, if applicable, that future debits, credits, charges, including additional credit service charges or interest, rebates, and expenses may affect the amount of the surplus or deficiency; and

(D) Provides a telephone number or mailing address from which additional information concerning the transaction is available.

(2) "Request" means a record:

(A) ((~~Authenticated~~))Signed by a debtor or consumer obligor;

(B) Requesting that the recipient provide an explanation; and

(C) Sent after disposition of the collateral under RCW 62A.9A-610.

(b) **Explanation of calculation.** In a consumer-goods transaction in which the debtor is entitled to a surplus or a consumer obligor is liable for a deficiency under RCW 62A.9A-615, the secured party shall:

(1) Send an explanation to the debtor or consumer obligor, as applicable, after the disposition and:

(A) Before or when the secured party accounts to the debtor and pays any surplus or first makes ((~~written~~)) demand in a record on the consumer obligor after the disposition for payment of the deficiency; and

(B) Within ((~~fourteen~~))14 days after receipt of a request; or

(2) In the case of a consumer obligor who is liable for a deficiency, within ((~~fourteen~~))14 days after receipt of a request, send to the consumer obligor a record waiving the secured party's right to a deficiency.

(c) **Required information.** To comply with subsection (a)(1)(B) of this section, ((~~a writing~~))an explanation must provide the following information in the following order:

(1) The aggregate amount of obligations secured by the security interest under which the disposition was made, and, if the amount reflects a rebate of unearned interest or credit service charge, an indication of that fact, calculated as of a specified date:

(A) If the secured party takes or receives possession of the collateral after default, not more than thirty-five days before the secured party takes or receives possession; or

(B) If the secured party takes or receives possession of the collateral before default or does not take possession of the collateral, not more than thirty-five days before the disposition;

(2) The amount of proceeds of the disposition;

(3) The aggregate amount of the obligations after deducting the amount of proceeds;

(4) The amount, in the aggregate or by type, and types of expenses, including expenses of retaking, holding, preparing for disposition, processing, and disposing of the collateral, and attorneys' fees secured by the collateral which are known to the secured party and relate to the current disposition;

(5) The amount, in the aggregate or by type, and types of credits, including rebates of interest or credit service charges, to which the obligor is known to be entitled and which are not reflected in the amount in (1) of this subsection; and

(6) The amount of the surplus or deficiency.

(d) **Substantial compliance.** A particular phrasing of the explanation is not required. An explanation complying substantially with the requirements of subsection (a) of this section is sufficient, even if it includes minor errors that are not seriously misleading.

(e) **Charges for responses.** A debtor or consumer obligor is entitled without charge to one response to a request under this section during any six-month period in which the secured party did not send to the debtor or consumer obligor an explanation pursuant to subsection (b)(1) of this section. The secured party may require payment of a charge not exceeding twenty-five dollars for each additional response.

**Sec. 946.** RCW 62A.9A-619 and 2000 c 250 s 9A-619 are each amended to read as follows:

(a) **"Transfer statement."** In this section, "transfer statement" means a record ((~~authenticated~~))signed by a secured party stating:

(1) That the debtor has defaulted in connection with an obligation secured by specified collateral;

(2) That the secured party has exercised its post-default remedies with respect to the collateral;

(3) That, by reason of the exercise, a transferee has acquired the rights of the debtor in the collateral; and

(4) The name and mailing address of the secured party, debtor, and transferee.

(b) **Effect of transfer statement.** A transfer statement entitles the transferee to the transfer of record of all rights of the debtor in the collateral specified in the statement in any official filing, recording, registration, or certificate-of-title system covering the collateral. If a transfer statement is presented with the applicable fee and request form to the official or office responsible for maintaining the system, the official or office shall:

(1) Accept the transfer statement;

(2) Promptly amend its records to reflect the transfer; and

(3) If applicable, issue a new appropriate certificate of title in the name of the transferee.

(c) **Transfer not a disposition; no relief of secured party's duties.** A transfer of the record or legal title to collateral to a secured party under subsection (b) of this section or otherwise is not of itself a disposition of collateral under this Article and does not of itself relieve the secured party of its duties under this Article.

**Sec. 947.** RCW 62A.9A-620 and 2000 c 250 s 9A-620 are each amended to read as follows:

(a) **Conditions to acceptance in satisfaction.** A secured party may accept collateral in full or partial satisfaction of the obligation it secures only if:

(1) The debtor consents to the acceptance under subsection (c) of this section;

(2) The secured party does not receive, within the time set forth in subsection (d) of this section, a notification of objection to the proposal ((~~authenticated~~))signed by:

(A) A person to which the secured party was required to send a proposal under RCW 62A.9A-621; or

(B) Any other person, other than the debtor, holding an interest in the collateral subordinate to the security interest that is the subject of the proposal; and

(3) Subsection (e) of this section does not require the secured party to dispose of the collateral or the debtor waives the requirement pursuant to RCW 62A.9A-624.

(b) **Purported acceptance ineffective.** A purported or apparent acceptance of collateral under this section is ineffective unless:

(1) The secured party consents to the acceptance in ((~~an authenticated~~))a signed record or sends a proposal to the debtor; and

(2) The conditions of subsection (a) of this section are met.

(c) **Debtor's consent.** For purposes of this section:

(1) A debtor consents to an acceptance of collateral in partial satisfaction of the obligation it secures only if the debtor agrees to the terms of the acceptance in a record ((~~authenticated~~))signed after default; and

(2) A debtor consents to an acceptance of collateral in full satisfaction of the obligation it secures only if the debtor agrees to the terms of the acceptance in a record ((~~authenticated~~))signed after default or the secured party:

(A) Sends to the debtor after default a proposal that is unconditional or subject only to a condition that collateral not in the possession of the secured party be preserved or maintained;

(B) In the proposal, proposes to accept collateral in full satisfaction of the obligation it secures; and

(C) Does not receive a notification of objection ((~~authenticated~~))signed by the debtor within ((~~twenty~~))20 days after the proposal is sent.

(d) **Effectiveness of notification.** To be effective under subsection (a)(2) of this section, a notification of objection must be received by the secured party:

(1) In the case of a person to which the proposal was sent pursuant to RCW 62A.9A-621, within ((~~twenty~~))20 days after notification was sent to that person; and

(2) In other cases:

(A) Within ((~~twenty~~))20 days after the last notification was sent pursuant to RCW 62A.9A-621; or

(B) If a notification was not sent, before the debtor consents to the acceptance under subsection (c) of this section.

(e) **Mandatory disposition of consumer goods.** A secured party that has taken possession of collateral shall dispose of the collateral pursuant to RCW 62A.9A-610 within the time specified in subsection (f) of this section if:

(1) Sixty percent of the cash price has been paid in the case of a purchase-money security interest in consumer goods; or

(2) Sixty percent of the principal amount of the obligation secured has been paid in the case of a nonpurchase-money security interest in consumer goods.

(f) **Compliance with mandatory disposition requirement.** To comply with subsection (e) of this section, the secured party shall dispose of the collateral:

(1) Within ninety days after taking possession; or

(2) Within any longer period to which the debtor and all secondary obligors have agreed in an agreement to that effect entered into and ((~~authenticated~~))signed after default.

**Sec. 948.** RCW 62A.9A-621 and 2011 c 74 s 725 are each amended to read as follows:

(a) **Persons to which proposal to be sent.** A secured party that desires to accept collateral in full or partial satisfaction of the obligation it secures shall send its proposal to:

(1) Any other secured party or lienholder that, ((~~ten~~))10 days before the debtor consented to the acceptance, held a security interest in or other lien on the collateral perfected by the filing of a financing statement that:

(A) Identified the collateral;

(B) Was indexed under the debtor's name as of that date; and

(C) Was filed in the office or offices in which to file a financing statement against the debtor covering the collateral as of that date; and

(2) Any other secured party that, ((~~ten~~))10 days before the debtor consented to the acceptance, held a security interest in the collateral perfected by compliance with a statute, regulation, or treaty described in RCW 62A.9A-311(a).

(b) **Proposal to be sent to secondary obligor in partial satisfaction.** A secured party that desires to accept collateral in partial satisfaction of the obligation it secures shall send its proposal to any secondary obligor in addition to the persons described in subsection (a) of this section.

**Sec. 949.** RCW 62A.9A-624 and 2000 c 250 s 9A-624 are each amended to read as follows:

(a) **Waiver of disposition notification.** A debtor may waive the right to notification of disposition of collateral under RCW 62A.9A-611 only by an agreement to that effect entered into and ((~~authenticated~~))signed after default.

(b) **Waiver of mandatory disposition.** A debtor may waive the right to require disposition of collateral under RCW 62A.9A-620(e) only by an agreement to that effect entered into and ((~~authenticated~~))signed after default.

(c) **Waiver of redemption right.** Except in a consumer-goods transaction, a debtor or secondary obligor may waive the right to redeem collateral under RCW 62A.9A-623 only by an agreement to that effect entered into and ((~~authenticated~~))signed after default.

**Sec. 950.** RCW 62A.9A-628 and 2011 c 74 s 727 are each amended to read as follows:

(a) **Limitation of liability of secured party for noncompliance with article.** ((~~Unless~~))Subject to subsection (f) of this section, unless a secured party knows that a person is a debtor or obligor, knows the identity of the person, and knows how to communicate with the person:

(1) The secured party is not liable to the person, or to a secured party or lienholder that has filed a financing statement against the person, for failure to comply with this Article; and

(2) The secured party's failure to comply with this Article does not affect the liability of the person for a deficiency.

(b) **Limitation of liability based on status as secured party.**((~~A~~))Subject to subsection (f) of this section, a secured party is not liable because of its status as secured party:

(1) To a person that is a debtor or obligor, unless the secured party knows:

(A) That the person is a debtor or obligor;

(B) The identity of the person; and

(C) How to communicate with the person; or

(2) To a secured party or lienholder that has filed a financing statement against a person, unless the secured party knows:

(A) That the person is a debtor; and

(B) The identity of the person.

(c) **Limitation of liability if reasonable belief that transaction not a consumer-goods transaction or consumer transaction.** A secured party is not liable to any person, and a person's liability for a deficiency is not affected, because of any act or omission arising out of the secured party's reasonable belief that a transaction is not a consumer-goods transaction or a consumer transaction or that goods are not consumer goods, if the secured party's belief is based on its reasonable reliance on:

(1) A debtor's representation concerning the purpose for which collateral was to be used, acquired, or held; or

(2) An obligor's representation concerning the purpose for which a secured obligation was incurred.

(d) **Limitation of liability for statutory damages.** A secured party is not liable to any person under RCW 62A.9A-625(c)(2) for its failure to comply with RCW 62A.9A-616.

(e) **Limitation of multiple liability for statutory damages.** A secured party is not liable under RCW 62A.9A-625(c)(2) more than once with respect to any one secured obligation.

(f) **Exception: Limitation of liability under subsections (a) and (b) of this section does not apply.** Subsections (a) and (b) of this section do not apply to limit the liability of a secured party to a person if, at the time the secured party obtains control of collateral that is a controllable account, controllable electronic record, or controllable payment intangible or at the time the security interest attaches to the collateral, whichever is later:

(1) The person is a debtor or obligor; and

(2) The secured party knows that the information in subsection (b)(1)(A), (B), or (C) of this section relating to the person is not provided by the collateral, a record attached to or logically associated with the collateral, or the system in which the collateral is recorded.

**PART X**
**ARTICLE 12**
**CONTROLLABLE ELECTRONIC RECORDS**

NEW SECTION. **Sec. 1001.** SECTION 12-101: TITLE. This Article may be cited as uniform commercial code—controllable electronic records.

NEW SECTION. **Sec. 1002.** SECTION 12-102: DEFINITIONS. (a) **Article 12 definitions.** In this Article:

(1) "Controllable electronic record" means a record stored in an electronic medium that can be subjected to control under section 1005 of this act. The term does not include a controllable account, a controllable payment intangible, a deposit account, an electronic copy of a record evidencing chattel paper, an electronic document of title, electronic money, investment property, or a transferable record.

(2) "Qualifying purchaser" means a purchaser of a controllable electronic record or an interest in a controllable electronic record that obtains control of the controllable electronic record for value, in good faith, and without notice of a claim of a property right in the controllable electronic record.

(3) "Transferable record" has the meaning provided for that term in:

(A) Section 201(a)(1) of the electronic signatures in global and national commerce act, 15 U.S.C. Sec. 7021(a)(1); or

(B) RCW 1.80.150(1).

(4) "Value" has the meaning provided in RCW 62A.3-303(a), as if references in that subsection to an "instrument" were references to a controllable account, controllable electronic record, or controllable payment intangible.

(b) **Definitions in Article 9A.** The definitions in Article 9A of this title of "account debtor," "controllable account," "controllable payment intangible," "chattel paper," "deposit account," "electronic money," and "investment property" apply to this Article.

(c) **Article 1 definitions and principles.** Article 1 of this title contains general definitions and principles of construction and interpretation applicable throughout this Article.

NEW SECTION. **Sec. 1003.** SECTION 12-103: RELATION TO ARTICLE 9 AND CONSUMER LAWS. (a) **Article 9A governs in case of conflict.** If there is conflict between this Article and Article 9A of this title, Article 9A of this title governs.

(b) **Applicable consumer law and other laws.** A transaction subject to this Article is subject to any applicable rule of law that establishes a different rule for consumers and chapter 19.86 RCW.

NEW SECTION. **Sec. 1004.** SECTION 12-104: RIGHTS IN CONTROLLABLE ACCOUNT, CONTROLLABLE ELECTRONIC RECORD, AND CONTROLLABLE PAYMENT INTANGIBLE. (a) **Applicability of section to controllable account and controllable payment intangible.** This section applies to the acquisition and purchase of rights in a controllable account or controllable payment intangible, including the rights and benefits under subsections (c), (d), (e), (g), and (h) of this section of a purchaser and qualifying purchaser, in the same manner this section applies to a controllable electronic record.

(b) **Control of controllable account and controllable payment intangible.** To determine whether a purchaser of a controllable account or a controllable payment intangible is a qualifying purchaser, the purchaser obtains control of the account or payment intangible if it obtains control of the controllable electronic record that evidences the account or payment intangible.

(c) **Applicability of other law to acquisition of rights.** Except as provided in this section, law other than this Article determines whether a person acquires a right in a controllable electronic record and the right the person acquires.

(d) **Shelter principle and purchase of limited interest.** A purchaser of a controllable electronic record acquires all rights in the controllable electronic record that the transferor had or had power to transfer, except that a purchaser of a limited interest in a controllable electronic record acquires rights only to the extent of the interest purchased.

(e) **Rights of qualifying purchaser.** A qualifying purchaser acquires its rights in the controllable electronic record free of a claim of a property right in the controllable electronic record.

(f) **Limitation of rights of qualifying purchaser in other property.** Except as provided in subsections (a) and (e) of this section for a controllable account and a controllable payment intangible or law other than this Article, a qualifying purchaser takes a right to payment, right to performance, or other interest in property evidenced by the controllable electronic record subject to a claim of a property right in the right to payment, right to performance, or other interest in property.

(g) **No-action protection for qualifying purchaser.** An action may not be asserted against a qualifying purchaser based on both a purchase by the qualifying purchaser of a controllable electronic record and a claim of a property right in another controllable electronic record, whether the action is framed in conversion, replevin, constructive trust, equitable lien, or other theory.

(h) **Filing not notice.** Filing of a financing statement under Article 9A of this title is not notice of a claim of a property right in a controllable electronic record.

NEW SECTION. **Sec. 1005.** SECTION 12-105: CONTROL OF CONTROLLABLE ELECTRONIC RECORD. (a) **General rule: Control of controllable electronic record.** A person has control of a controllable electronic record if the electronic record, a record attached to or logically associated with the electronic record, or a system in which the electronic record is recorded:

(1) Gives the person:

(A) Power to avail itself of substantially all the benefit from the electronic record; and

(B) Exclusive power, subject to subsection (b) of this section, to:

(i) Prevent others from availing themselves of substantially all the benefit from the electronic record; and

(ii) Transfer control of the electronic record to another person or cause another person to obtain control of another controllable electronic record as a result of the transfer of the electronic record; and

(2) Enables the person readily to identify itself in any way, including by name, identifying number, cryptographic key, office, or account number, as having the powers specified in (1) of this subsection.

(b) **Meaning of exclusive.** Subject to subsection (c) of this section, a power is exclusive under subsection (a)(1)(B)(i) and (ii) of this section even if:

(1) The controllable electronic record, a record attached to or logically associated with the electronic record, or a system in which the electronic record is recorded limits the use of the electronic record or has a protocol programmed to cause a change, including a transfer or loss of control or a modification of benefits afforded by the electronic record; or

(2) The power is shared with another person.

(c) **When power not shared with another person.** A power of a person is not shared with another person under subsection (b)(2) of this section and the person's power is not exclusive if:

(1) The person can exercise the power only if the power also is exercised by the other person; and

(2) The other person:

(A) Can exercise the power without exercise of the power by the person; or

(B) Is the transferor to the person of an interest in the controllable electronic record or a controllable account or controllable payment intangible evidenced by the controllable electronic record.

(d) **Presumption of exclusivity of certain powers.** If a person has the powers specified in subsection (a)(1)(B)(i) and (ii) of this section, the powers are presumed to be exclusive.

(e) **Control through another person.** A person has control of a controllable electronic record if another person, other than the transferor to the person of an interest in the controllable electronic record or a controllable account or controllable payment intangible evidenced by the controllable electronic record:

(1) Has control of the electronic record and acknowledges that it has control on behalf of the person; or

(2) Obtains control of the electronic record after having acknowledged that it will obtain control of the electronic record on behalf of the person.

(f) **No requirement to acknowledge.** A person that has control under this section is not required to acknowledge that it has control on behalf of another person.

(g) **No duties or confirmation.** If a person acknowledges that it has or will obtain control on behalf of another person, unless the person otherwise agrees or law other than this Article or Article 9A of this title otherwise provides, the person does not owe any duty to the other person and is not required to confirm the acknowledgment to any other person.

NEW SECTION. **Sec. 1006.** SECTION 12-106: DISCHARGE OF ACCOUNT DEBTOR ON CONTROLLABLE ACCOUNT OR CONTROLLABLE PAYMENT INTANGIBLE. (a) **Discharge of account debtor.** An account debtor on a controllable account or controllable payment intangible may discharge its obligation by paying:

(1) The person having control of the controllable electronic record that evidences the controllable account or controllable payment intangible; or

(2) Except as provided in subsection (b) of this section, a person that formerly had control of the controllable electronic record.

(b) **Content and effect of notification.** Subject to subsection (d) of this section, the account debtor may not discharge its obligation by paying a person that formerly had control of the controllable electronic record if the account debtor receives a notification that:

(1) Is signed by a person that formerly had control or the person to which control was transferred;

(2) Reasonably identifies the controllable account or controllable payment intangible;

(3) Notifies the account debtor that control of the controllable electronic record that evidences the controllable account or controllable payment intangible was transferred;

(4) Identifies the transferee, in any reasonable way, including by name, identifying number, cryptographic key, office, or account number; and

(5) Provides a commercially reasonable method by which the account debtor is to pay the transferee.

(c) **Discharge following effective notification.** After receipt of a notification that complies with subsection (b) of this section, the account debtor may discharge its obligation by paying in accordance with the notification and may not discharge the obligation by paying a person that formerly had control.

(d) **When notification ineffective.** Subject to subsection (h) of this section, notification is ineffective under subsection (b) of this section:

(1) Unless, before the notification is sent, the account debtor and the person that, at that time, had control of the controllable electronic record that evidences the controllable account or controllable payment intangible agree in a signed record to a commercially reasonable method by which a person may furnish reasonable proof that control has been transferred;

(2) To the extent an agreement between the account debtor and seller of a payment intangible limits the account debtor's duty to pay a person other than the seller and the limitation is effective under law other than this Article; or

(3) At the option of the account debtor, if the notification notifies the account debtor to:

(A) Divide a payment;

(B) Make less than the full amount of an installment or other periodic payment; or

(C) Pay any part of a payment by more than one method or to more than one person.

(e) **Proof of transfer of control.** Subject to subsection (h) of this section, if requested by the account debtor, the person giving the notification under subsection (b) of this section seasonably shall furnish reasonable proof, using the method in the agreement referred to in subsection (d)(1) of this section, that control of the controllable electronic record has been transferred. Unless the person complies with the request, the account debtor may discharge its obligation by paying a person that formerly had control, even if the account debtor has received a notification under subsection (b) of this section.

(f) **What constitutes reasonable proof.** A person furnishes reasonable proof under subsection (e) of this section that control has been transferred if the person demonstrates, using the method in the agreement referred to in subsection (d)(1)

of this section, that the transferee has the power to:

(1) Avail itself of substantially all the benefit from the controllable electronic record;

(2) Prevent others from availing themselves of substantially all the benefit from the controllable electronic record; and

(3) Transfer the powers specified in (1) and (2) of this subsection to another person.

(g) **Rights not waivable.** Subject to subsection (h) of this section, an account debtor may not waive or vary its rights under subsections (d)(1) and (e) of this section or its option under subsection (d)(3) of this section.

(h) **Rule for individual under other law.** This section is subject to law other than this Article which establishes a different rule for an account debtor who is an individual and who incurred the obligation primarily for personal, family, or household purposes.

NEW SECTION. **Sec. 1007.** SECTION 12-107: GOVERNING LAW. (a) **Governing law: General rule.** Except as provided in subsection (b) of this section, the local law of a controllable electronic record's jurisdiction governs a matter covered by this Article.

(b) **Governing law: Section 1006 of this act.** For a controllable electronic record that evidences a controllable account or controllable payment intangible, the local law of the controllable electronic record's jurisdiction governs a matter covered by section 1006 of this act unless an effective agreement determines that the local law of another jurisdiction governs.

(c) **Controllable electronic record's jurisdiction.** The following rules determine a controllable electronic record's jurisdiction under this section:

(1) If the controllable electronic record, or a record attached to or logically associated with the controllable electronic record and readily available for review, expressly provides that a particular jurisdiction is the controllable electronic record's jurisdiction for purposes of this Article or this title, that jurisdiction is the controllable electronic record's jurisdiction.

(2) If (1) of this subsection does not apply and the rules of the system in which the controllable electronic record is recorded are readily available for review and expressly provide that a particular jurisdiction is the controllable electronic record's jurisdiction for purposes of this Article or this title, that jurisdiction is the controllable electronic record's jurisdiction.

(3) If (1) and (2) of this subsection do not apply and the controllable electronic record, or a record attached to or logically associated with the controllable electronic record and readily available for review, expressly provides that the controllable electronic record is governed by the law of a particular jurisdiction, that jurisdiction is the controllable electronic record's jurisdiction.

(4) If (1), (2), and (3) of this subsection do not apply and the rules of the system in which the controllable electronic record is recorded are readily available for review and expressly provide that the controllable electronic record or the system is governed by the law of a particular jurisdiction, that jurisdiction is the controllable electronic record's jurisdiction.

(5) If (1) through (4) of this subsection do not apply, the controllable electronic record's jurisdiction is the District of Columbia.

(d) **Applicability of Article 12.** If subsection (c)(5) of this section applies and this Article 12 is not in effect in the District of Columbia without material modification, the governing law for a matter covered by this Article is the law of the District of Columbia as though Article 12 were in effect in the District of Columbia without material modification. In this subsection, "Article 12" means Article 12 of Uniform Commercial Code Amendments (2022).

(e) **Relation of matter or transaction to controllable electronic record's jurisdiction not necessary.** To the extent subsections (a) and (b) of this section provide that the local law of the controllable electronic record's jurisdiction governs a matter covered by this Article, that law governs even if the matter or a transaction to which the matter relates does not bear any relation to the controllable electronic record's jurisdiction.

(f) **Rights of purchasers determined at time of purchase.** The rights acquired under section 1004 of this act by a purchaser or qualifying purchaser are governed by the law applicable under this section at the time of purchase.

**PART XI**
**ARTICLE A**
**TRANSITIONAL PROVISIONS FOR UNIFORM COMMERCIAL CODE**
**AMENDMENTS (2022)**
**GENERAL PROVISIONS AND DEFINITIONS**

NEW SECTION. **Sec. 1101.** SECTION A-101: TITLE. This Article may be cited as transitional provisions for Uniform Commercial Code Amendments (2022).

NEW SECTION. **Sec. 1102.** SECTION A-102: DEFINITIONS. (a) **Article A Definitions.** In this article:

(1) "Adjustment date" means July 1, 2025, or the date that is one year after the effective date of this section, whichever is later.

(2) "Article 12" means Article -- of this title (the new Article created by section 1202 of this act).

(3) "Article 12 property" means a controllable account, controllable electronic record, or controllable payment intangible.

(b) **Definitions in other articles.** The following definitions in other articles of this title apply to this Article.

"Controllable account." RCW 62A.9A-102.

"Controllable electronic record." Section 1002 of this act.

"Controllable payment intangible." RCW 62A.9A-102.

"Electronic money." RCW 62A.9A-102.

"Financing statement." RCW 62A.9A-102.

(c) **Article 1 definitions and principles.** Article 1 of this title contains general definitions and principles of construction and interpretation applicable throughout this Article.

**GENERAL TRANSITIONAL PROVISION**

NEW SECTION. **Sec. 1103.** SECTION A-201: SAVING CLAUSE. Except as provided in sections 1104 through 1109 of this act, a transaction validly entered into before the effective date of this section and the rights, duties, and interests flowing from the transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than this title or, if applicable, this title, as though this act had not taken effect.

**TRANSITIONAL PROVISIONS FOR ARTICLES 9A AND 12**

NEW SECTION. **Sec. 1104.** SECTION A-301: SAVING CLAUSE. (a) **Preeffective-date transaction, lien, or interest.** Except as provided in this part, Article 9A of this title as amended by this act and Article 12 apply to a transaction, lien, or other interest in property, even if the transaction, lien, or interest was entered into, created, or acquired before the effective date of this section.

(b) **Continuing validity.** Except as provided in subsection (c) of this section and sections 1005 through 1109 of this act:

(1) A transaction, lien, or interest in property that was validly entered into, created, or transferred before the effective date of this section and was not governed by this title, but would be subject to Article 9A of this title as amended by this act or Article 12 if it had been entered into, created, or transferred on or after the effective date of this section, including the rights, duties, and interests flowing from the transaction, lien, or interest, remains valid on and after the effective date of this section; and

(2) The transaction, lien, or interest may be terminated, completed, consummated, and enforced as required or permitted by this act or by the law that would apply if this act had not taken effect.

(c) **Preeffective-date proceeding.** This act does not affect an action, case, or proceeding commenced before the effective date of this section.

NEW SECTION. **Sec. 1105.** SECTION A-302: SECURITY INTEREST PERFECTED BEFORE EFFECTIVE DATE. (a) **Continuing perfection: Perfection requirements satisfied.** A security interest that is enforceable and perfected immediately before the effective date of this section is a perfected security interest under this act if, on the effective date of this section, the requirements for enforceability and perfection under this act are satisfied without further action.

(b) **Continuing perfection: Enforceability or perfection requirements not satisfied.** If a security interest is enforceable and perfected immediately before the effective date of this section, but the requirements for enforceability or perfection under this act are not satisfied on the effective date of this section, the security interest:

(1) Is a perfected security interest until the earlier of the time perfection would have ceased under the law in effect immediately before the effective date of this section or the adjustment date;

(2) Remains enforceable thereafter only if the security interest satisfies the requirements for enforceability under RCW 62A.9A-203, as amended by this act, before the adjustment date; and

(3) Remains perfected thereafter only if the requirements for perfection under this act are satisfied before the time specified in (1) of this subsection.

NEW SECTION. **Sec. 1106.** SECTION A-303: SECURITY INTEREST UNPERFECTED BEFORE EFFECTIVE DATE. A security interest that is enforceable immediately before the effective date of this section but is unperfected at that time:

(a) Remains an enforceable security interest until the adjustment date;

(b) Remains enforceable thereafter if the security interest becomes enforceable under RCW 62A.9A-203, as amended by this act, on the effective date of this section or before the adjustment date; and

(c) Becomes perfected:

(1) Without further action, on the effective date of this section if the requirements for perfection under this act are satisfied before or at that time; or

(2) When the requirements for perfection are satisfied if the requirements are satisfied after that time.

NEW SECTION. **Sec. 1107.** SECTION A-304: EFFECTIVENESS OF ACTIONS TAKEN BEFORE EFFECTIVE DATE. (a) **Preeffective-date action; attachment and perfection before adjustment date.** If action, other than the filing of a financing statement, is taken before the effective date of this section and the action would have resulted in perfection of the security interest had the security interest become enforceable before the effective date of this section, the action is effective to perfect a security interest that attaches under this act before the adjustment date. An attached security interest becomes unperfected on the adjustment date unless the security interest becomes a perfected security interest under this act before the adjustment date.

(b) **Preeffective-date filing.** The filing of a financing statement before the effective date of this section is effective to perfect a security interest on the effective date of this section to the extent the filing would satisfy the requirements for perfection under this act.

(c) **Preeffective-date enforceability action.** The taking of an action before the effective date of this section is sufficient for the enforceability of a security interest on the effective date of this section if the action would satisfy the requirements for enforceability under this act.

NEW SECTION. **Sec. 1108.** SECTION A-305: PRIORITY. (a) **Determination of priority.** Subject to subsections (b) and (c) of this section, this act determines the priority of conflicting claims to collateral.

(b) **Established priorities.** Subject to subsection (c) of this section, if the priorities of claims to collateral were established before the effective date of this section, Article 9A of this title as in effect before the effective date of this section determines priority.

(c) **Determination of certain priorities on adjustment date.** On the adjustment date, to the extent the priorities determined by Article 9A of this title as amended by this act modify the priorities established before the effective date of this section, the priorities of claims to Article 12 property and electronic money established before the effective date of this section cease to apply.

NEW SECTION. **Sec. 1109.** SECTION A-306: PRIORITY OF CLAIMS WHEN PRIORITY RULES OF ARTICLE 9A DO NOT APPLY. (a) **Determination of priority.** Subject to subsections (b) and (c) of this section, Article 12 determines the priority of conflicting claims to Article 12 property when the priority rules of Article 9A of this title as amended by this act do not apply.

(b) **Established priorities.** Subject to subsection (c) of this section, when the priority rules of Article 9A of this title as amended by this act do not apply and the priorities of claims to Article 12 property were established before the effective date of this section, law other than Article 12 determines priority.

(c) **Determination of certain priorities on adjustment date.** When the priority rules of Article 9A of this title as amended by this act do not apply, to the extent the priorities determined by this act modify the priorities established before the effective date of this section, the priorities of claims to Article 12 property established before the effective date of this section cease to apply on the adjustment date.

**PART XII**

NEW SECTION. **Sec. 1201.** Nothing in this act may be construed to support, endorse, create, or implement a national digital currency.

NEW SECTION. **Sec. 1202.** Sections 1001 through 1007 of this act constitute a new Article in Title 62A RCW.

NEW SECTION. **Sec. 1203.** Sections 1101 through 1109 of this act constitute a new Article in Title 62A RCW.

NEW SECTION. **Sec. 1204.** This act takes effect January 1, 2024."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Cheney; Entenman; Goodman; Peterson; Rude; Thai and Walen.

MINORITY recommendation: Without recommendation. Signed by Representatives Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member.

Referred to Committee on Rules for second reading

March 24, 2023

SSB 5078 Prime Sponsor, Ways & Means: Protecting public safety by establishing duties of firearm industry members. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that the irresponsible, dangerous, and unlawful business practices by firearms industry members contributes to the illegal use of firearms and not only constitutes a public nuisance as declared in chapter 7.48 RCW, but that the effects of that nuisance exacerbate the public health crisis of gun violence in this state. The Washington state medical association, the Washington health alliance, and the voters of Washington, most recently through approval of Initiative 1639 in 2016, have all noted that crisis.

(2) The legislature further finds that public nuisance was established in state law by Washington's territorial legislature in 1875 and has been interpreted by the state supreme court for more than 100 years to enjoin the operation of illegal businesses as nuisance by individuals suffering special injury. Since at least 1895, public nuisance has included manufacturing and storing gunpowder and other highly explosive substances.

(3) Firearm industry members profit from the sale, manufacture, distribution, importing, and marketing of lethal products that are frequently used to threaten, injure, and kill people in Washington, and which cause enormous harms to individuals' and communities' health, safety, and well-being, as well as economic opportunity and vitality. While manufacturers have incorporated features and technology resulting in more deadly and destructive firearms, and products designed to be used with and for firearms, some actors in the firearm industry have implemented irresponsible and dangerous sales, distribution, importing, and marketing practices, including contributing to the development of an illegal secondary market for these increasingly dangerous products.

Such practices lead to grave public harms and also provide an unfair business advantage to irresponsible firearm industry members over more responsible competitors who take reasonable precautions to protect others' lives and well-being.

(4) The federal protection of lawful commerce in arms act (PLCAA) recognizes the ability of states to enact and enforce statutes regulating the sale and marketing of firearms and related products, and expressly provides that causes of action may proceed where there are violations of such statutes.

(5) The legislature intends to ensure a level playing field for responsible firearm industry members, to incentivize firearm industry members to establish and implement safe and responsible business practices, and to ensure that the attorney general and members of the public in Washington who are harmed by a firearm industry member's violation of law may bring legal action to seek appropriate justice and fair remedies for those harms in court.

NEW SECTION. **Sec. 2.** A new section is added to chapter 7.48 RCW to read as follows:

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

(a) "Firearm industry member" means a person engaged in the wholesale or retail sale, manufacturing, distribution, importing, or marketing of a firearm industry product, or any officer or agent to act on behalf of such a person or who acts in active concert or participation with such a person.

(b) "Firearm industry product" means a product that meets any of the following conditions:

(i) The firearm industry product was sold, made, distributed, or marketed in this state;

(ii) The firearm industry product was intended to be sold, made, distributed, or marketed in this state; or

(iii) The firearm industry product was used or possessed in this state, and it was reasonably foreseeable that the product would be used or possessed in this state.

(c) "Firearm trafficker" means a person who acquires, transfers, or attempts to acquire or transfer a firearm for purposes of unlawful commerce including, but not limited to, a subsequent transfer to another individual who is prohibited from possessing the firearm industry product under state or federal law.

(d) "Person" means any natural person, firm, corporation, company, partnership, society, joint stock company, municipality or other political subdivision of the state, or any other entity or association.

(e) "Product" means:

(i) A firearm;

(ii) Ammunition;

(iii) A component part of a firearm or ammunition, including a completed frame or receiver or unfinished frame or receiver, as defined in RCW 9.41.010;

(iv) An accessory or device that is designed or adapted to be inserted into, affixed onto, or used in conjunction with a firearm, if the device is marketed or sold to the public and that is designed, intended, or able to be used to increase a firearm's rate of fire, concealability, magazine capacity, or destructive capacity, or to increase the firearm's stability and handling when the firearm is repeatedly fired;

(v) A machine or device that is marketed or sold to the public that is designed, intended, or able to be used to manufacture or produce a firearm or any other product listed in this subsection (1)(e).

(f) "Reasonable controls" means reasonable procedures, safeguards, and business practices, including but not limited to screening, security, and inventory practices, that are designed and implemented to do all of the following:

(i) Prevent the sale or distribution of a firearm industry product to a straw purchaser, a firearm trafficker, a person prohibited from possessing a firearm under state or federal law, or a person who the firearm industry member has reasonable cause to believe is at substantial risk of using a firearm industry product to harm themselves or unlawfully harm another, or of unlawfully possessing or using a firearm industry product;

(ii) Prevent the loss of a firearm industry product or theft of a firearm industry product from a firearm industry member; and

(iii) Ensure that the firearm industry member complies with all provisions of state and federal law and does not otherwise promote the unlawful sale, manufacture, distribution, importing, possession, marketing, or use of a firearm industry product.

(g) "Straw purchaser" means a person who wrongfully purchases or obtains a firearm industry product on behalf of a third party. "Straw purchaser" does not include one who makes a bona fide gift to a person who is not prohibited by law from possessing a firearm industry product. For the purposes of this subsection (1)(g), a gift is not a "bona fide gift" if the third party has offered or given the purchaser or transferee a service or thing of value in connection with the transaction.

(2) This section applies to a firearm industry member engaged in the manufacture, distribution, importation, marketing, or wholesale or retail sale of a firearm industry product.

(3) A firearm industry member shall not knowingly create, maintain, or contribute to a public nuisance in this state through the sale, manufacturing, distribution, importing, or marketing of a firearm industry product.

(4) A firearm industry member shall establish, implement, and enforce reasonable controls regarding its manufacture, sale, distribution, importing, use, and marketing of firearm industry products.

(5) A firearm industry member shall take reasonable precautions to ensure the firearm industry member does not sell or distribute a firearm industry product to a downstream distributor or retailer of firearm industry

products that fails to establish and implement reasonable controls.

(6) A firearm industry member shall not manufacture, distribute, import, market, offer for wholesale, or offer for retail sale a firearm industry product that is:

(a) Designed, sold, or marketed in a manner that foreseeably promotes conversion of legal firearm industry products into illegal firearm industry products; or

(b) Designed, sold, or marketed in a manner that is targeted at minors or individuals who are legally prohibited from purchasing or possessing firearms.

(7) A violation of this section is a public nuisance.

(8) The legislature finds that the acts or practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(9) A firearm industry member's conduct in violation of any provision of this section constitutes a proximate cause of the public nuisance if the harm is a reasonably foreseeable effect of the conduct, notwithstanding any intervening actions, including but not limited to criminal actions by third parties. This subsection is not intended to establish a causation requirement for a claim brought by the attorney general pursuant to the consumer protection act, chapter 19.86 RCW.

(10) Whenever it appears to the attorney general that a firearm industry member has engaged in or is engaging in conduct in violation of this section, the attorney general may commence an action to seek and obtain any remedies available for violations of this chapter, and may also seek and obtain punitive damages up to an amount not to exceed three times the actual damages sustained by the state, reasonable attorneys' fees, and costs of the action.

(11) Whenever the attorney general believes that any person (a) may be in possession, custody, or control of any information which he or she believes to be relevant to the subject matter of an investigation of a possible violation of this section, or (b) may have knowledge of any information which the attorney general believes relevant to the subject matter of such an investigation, the attorney general may, prior to the institution of a civil proceeding thereon, execute in writing and cause to be served upon such a person, a civil investigative demand requiring such person to produce such documentary material and permit inspection and copying, to answer in writing written interrogatories, to give oral testimony, or any combination of such demands pertaining to such documentary material or information, subject to the provisions of RCW 19.86.110 (2) through (9). Any person or entity that receives a civil investigative demand issued pursuant to RCW 19.86.110 and that has an objection to answering in whole or in part may avail themselves of the procedural protections afforded in RCW 19.86.110(8). Further, the attorney general shall not share with a law enforcement agency conducting a criminal investigation any materials or information obtained via a response to a civil investigative demand issued pursuant to RCW 19.86.110 unless such information or materials are required to be disclosed pursuant to issuance of a search warrant.

(12) The attorney general's authority to investigate a possible violation of this section and commence a legal action in response to a violation of this section shall not be construed or implied to deny, abrogate, limit, or impair any person's right to bring a private right of action in response to a violation of this section pursuant to (a) RCW 7.48.200 and 7.48.210, to seek damages, abatement, or any other remedy available for a public nuisance, or (b) chapter 19.86 RCW, to seek damages, equitable relief, or any other remedy available under the consumer protection act.

(13) To prevail in an action under this section, the party seeking relief is not required to demonstrate that the firearm industry member acted with the purpose to engage in a public nuisance or otherwise cause harm to the public.

(14) Nothing in this section shall be construed or implied to deny, abrogate, limit, or impair in any way any of the following:

(a) The right of the attorney general to pursue a legal action under any other law, including chapter 19.86 RCW; or

(b) An obligation or requirement placed on a firearm industry member by any other law.

(15) Nothing in this section shall be construed or implied to deny, abrogate, limit, or impair any statutory or common law right, remedy, or prohibition otherwise available to any party, including the attorney general.

NEW SECTION. **Sec. 3.** This act is known as the firearm industry responsibility and gun violence victims' access to justice act.

NEW SECTION. **Sec. 4.** 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."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Entenman; Goodman; Peterson; Thai and Walen.

MINORITY recommendation: Do not pass. Signed by Representatives Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member.

MINORITY recommendation: Without recommendation. Signed by Representatives Cheney; and Rude.

Referred to Committee on Appropriations

March 27, 2023

2SSB 5134 Prime Sponsor, Ways & Means: Concerning reentry services and supports. Reported by Committee on Community Safety, Justice, & Reentry

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that successful rehabilitation and reentry has a positive impact on reduced recidivism rates and increased community safety. The legislature further finds that the success of individuals releasing from confinement in correctional institutions can be increased through access to supportive services, medical assistance, and other necessities. The legislature recognizes that the mortality rate in the first 72 hours following release from confinement is on average 18 times higher than the general population. The legislature further finds that access to basic human needs like food, medication, clothing, transportation, and shelter are necessary supports for most individuals exiting confinement. Therefore, the legislature resolves to enhance recovery, reduce recidivism, and improve public safety by providing increased access to supportive services and assistance following release from confinement.

**Sec. 2.** RCW 72.02.100 and 2022 c 29 s 2 are each amended to read as follows:

(1) Any person serving a sentence for a term of confinement in a state correctional facility for convicted felons, pursuant to court commitment, who is thereafter released upon an order of parole of the indeterminate sentence review board, or who is discharged from custody upon expiration of sentence, or who is ordered discharged from custody by a court of appropriate jurisdiction, shall be entitled to retain his or her earnings from labor or employment while in confinement and shall be supplied by the superintendent of the state correctional facility with suitable and presentable clothing, the sum of no less than $40 for subsistence, and transportation by the least expensive method of public transportation not to exceed the cost of $100 to his or her place of residence or the place designated in his or her parole plan, or to the place from which committed if such person is being discharged on expiration of sentence, or discharged from custody by a court of appropriate jurisdiction: PROVIDED, That up to ((~~60 additional dollars~~))an additional $60 may be made available to the parolee for necessary personal and living expenses upon application to and approval by such person's community corrections officer. If in the opinion of the superintendent suitable arrangements have been made to provide the person to be released with suitable clothing and/or the expenses of transportation, the superintendent may consent to such arrangement. If the superintendent has reasonable cause to believe that the person to be released has ample funds, with the exception of earnings from labor or employment while in confinement, to assume the expenses of clothing, transportation, or the expenses for which payments made pursuant to this section or RCW 72.02.110 or any one or more of such expenses, the person released shall be required to assume such expenses.

(2)(a) The department of corrections may provide temporary housing assistance for a person being released from any state correctional facility through the use of rental vouchers, for a period not to exceed six months, if the department finds that such assistance will support the person's release into the community by preventing housing instability or homelessness. The department's authority to provide vouchers under this section is independent of its authority under RCW 9.94A.729; however, a person may not receive a combined total of rental vouchers in excess of six months for each release from a state correctional facility.

(b) The department shall establish policies for prioritizing funds available for housing vouchers under this section for persons at risk of releasing homeless or becoming homeless without assistance while taking into account risk to reoffend.

**Sec. 3.** RCW 72.09.270 and 2021 c 200 s 3 are each amended to read as follows:

(1) The department of corrections shall develop an individual reentry plan as defined in RCW 72.09.015 for every incarcerated individual who is committed to the jurisdiction of the department except:

(a) Incarcerated individuals who are sentenced to life without the possibility of release or sentenced to death under chapter 10.95 RCW; and

(b) Incarcerated individuals who are subject to the provisions of 8 U.S.C. Sec. 1227.

(2) The individual reentry plan may be one document, or may be a series of individual plans that combine to meet the requirements of this section.

(3) In developing individual reentry plans, the department shall assess all incarcerated individuals using standardized and comprehensive tools to identify the criminogenic risks, programmatic needs, and educational and vocational skill levels for each incarcerated individual. The assessment tool should take into account demographic biases, such as culture, age, and gender, as well as the needs of the incarcerated individual, including any learning disabilities, substance abuse or mental health issues, and social or behavior challenges.

(4)(a) The initial assessment shall be conducted as early as sentencing, but, whenever possible, no later than forty-five days of being sentenced to the jurisdiction of the department of corrections.

(b) The incarcerated individual's individual reentry plan shall be developed as soon as possible after the initial assessment is conducted, but, whenever possible, no later than sixty days after completion of the assessment, and shall be periodically reviewed and updated as appropriate.

(5) The individual reentry plan shall, at a minimum, include:

(a) A plan to maintain contact with the incarcerated individual's children and family, if appropriate. The plan should determine whether parenting classes, or other services, are appropriate to facilitate successful reunification with the incarcerated individual's children and family;

(b) An individualized portfolio for each incarcerated individual that includes the incarcerated individual's education achievements, certifications, employment, work experience, skills, and any training received prior to and during incarceration; and

(c) A plan for the incarcerated individual during the period of incarceration through reentry into the community that addresses the needs of the incarcerated individual including education, employment, substance abuse treatment, mental health treatment, family reunification, and other areas which are needed to facilitate a successful reintegration into the community.

(6)(a) ((~~Prior to~~))Within one year prior to the release or discharge of any incarcerated individual, the department shall develop an individual discharge plan and provide reentry linkage case management services as follows:

(i) Evaluate the incarcerated individual's behavioral health and physical health needs and, to the extent possible, connect the incarcerated individual with ((~~existing services and resources that meet those needs~~))relevant services, treatment programs, medication-assisted treatment, tribal and urban health clinics, and behavioral health services, and other resources based on the individual's evaluated needs;

(ii) Assist the incarcerated individual with obtaining identification upon release;

(iii) Assist the incarcerated individual with submitting applications for applicable state and federal government assistance and benefits programs on behalf of the incarcerated individual;

(iv) Prepare a 90-day supply of any necessary prescribed medications to be provided upon release, through a combination of a 30-day supply of in-hand medications and 60-day supply of prescriptions, when clinically appropriate, to ensure continuity of care and that medications are readily available for the incarcerated individual upon release; and

((~~(ii)~~))(v) Connect the incarcerated individual with a community justice center and/or community transition coordination network in the area in which the incarcerated individual will be residing once released from the correctional system if one exists.

(b) If the department recommends partial confinement in an incarcerated individual's individual reentry plan, the department shall maximize the period of partial confinement for the incarcerated individual as allowed pursuant to RCW 9.94A.728 to facilitate the incarcerated individual's transition to the community.

(7) The department shall establish mechanisms for sharing information from individual reentry plans to those persons involved with the incarcerated individual's treatment, programming, and reentry, when deemed appropriate. When feasible, this information shall be shared electronically.

(8)(a) In determining the county of discharge for an incarcerated individual released to community custody, the department may approve a residence location that is not in the incarcerated individual's county of origin if the department determines that the residence location would be appropriate based on any court-ordered condition of the incarcerated individual's sentence, victim safety concerns, and factors that increase opportunities for successful reentry and long-term support including, but not limited to, location of family or other sponsoring persons or organizations that will support the incarcerated individual, ability to complete an educational program that the incarcerated individual is enrolled in, availability of appropriate programming or treatment, and access to housing, employment, and prosocial influences on the person in the community.

(b) In implementing the provisions of this subsection, the department shall approve residence locations in a manner that will not cause any one county to be disproportionately impacted.

(c) If the incarcerated individual is not returned to his or her county of origin, the department shall provide the law and justice council of the county in which the incarcerated individual is placed with a written explanation.

(d)(i) For purposes of this section, except as provided in (d)(ii) of this subsection, the incarcerated individual's county of origin means the county of the incarcerated individual's residence at the time of the incarcerated individual's first felony conviction in Washington state.

(ii) If the incarcerated individual is a homeless person as defined in RCW 43.185C.010, or the incarcerated individual's residence is unknown, then the incarcerated individual's county of origin means the county of the incarcerated individual's first felony conviction in Washington state.

(9) Nothing in this section creates a vested right in programming, education, or other services."

Correct the title.

Signed by Representatives Goodman, Chair; Simmons, Vice Chair; Griffey, Assistant Ranking Minority Member; Davis; Farivar; Fosse and Ramos.

MINORITY recommendation: Without recommendation. Signed by Representatives Mosbrucker, Ranking Minority Member; and Graham.

Referred to Committee on Appropriations

March 24, 2023

SB 5252 Prime Sponsor, Senator Valdez: Making modifications necessary to comply with federal regulations regarding dissemination of federal bureau of investigation criminal history record information. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 18.88B.080 and 2012 c 164 s 501 are each amended to read as follows:

A long-term care worker disqualified from working with vulnerable persons under chapter 74.39A RCW may not be certified or maintain certification as a home care aide under this chapter. ((~~To allow the department to satisfy its certification responsibilities under this chapter, the department of social and health services shall share the results of state and federal background checks conducted pursuant to RCW 74.39A.056 with the department. Neither department may share the federal background check results with any other state agency or person.~~))

**Sec. 2.** RCW 43.43.832 and 2021 c 203 s 1 are each amended to read as follows:

(1) The Washington state patrol identification and criminal history section shall disclose conviction records as follows:

(a) An applicant's conviction record, upon the request of a business or organization as defined in RCW 43.43.830, a developmentally disabled person, or a vulnerable adult as defined in RCW 43.43.830 or his or her guardian;

(b) The conviction record of an applicant for certification, upon the request of the Washington professional educator standards board;

(c) Any conviction record to aid in the investigation and prosecution of child, developmentally disabled person, and vulnerable adult abuse cases and to protect children and adults from further incidents of abuse, upon the request of a law enforcement agency, the office of the attorney general, prosecuting authority, or the department of social and health services; and

(d) A prospective client's or resident's conviction record, upon the request of a business or organization that qualifies for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)) and that provides emergency shelter or transitional housing for children, persons with developmental disabilities, or vulnerable adults.

(2) The secretary of the department of social and health services and the secretary of children, youth, and families must establish rules and set standards to require specific action when considering the information received pursuant to subsection (1) of this section, and when considering additional information including but not limited to civil adjudication proceedings as defined in RCW 43.43.830 and any out-of-state equivalent, in the following circumstances:

(a) When considering persons for state employment in positions directly responsible for the supervision, care, or treatment of children, vulnerable adults, or individuals with mental illness or developmental disabilities provided that: For persons residing in a home that will be utilized to provide foster care for dependent youth, a criminal background check will be required for all persons aged sixteen and older and the department of ((~~social and health services~~))children, youth, and families may require a criminal background check for persons who are younger than sixteen in situations where it may be warranted to ensure the safety of youth in foster care;

(b) When considering persons for state positions involving unsupervised access to vulnerable adults to conduct comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(c) When licensing agencies or facilities with individuals in positions directly responsible for the care, supervision, or treatment of children, developmentally disabled persons, or vulnerable adults, including but not limited to agencies or facilities licensed under chapter 74.15 or 18.51 RCW;

(d) When contracting with individuals or businesses or organizations for the care, supervision, case management, or treatment, including peer counseling, of children, developmentally disabled persons, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW;

(e) When individual providers as defined in RCW 74.39A.240 or providers paid by home care agencies provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW.

(3) The secretary of the department of children, youth, and families shall investigate the conviction records, pending charges, and other information including civil adjudication proceeding records of current employees and of any person actively being considered for any position with the department who will or may have unsupervised access to children, or for state positions otherwise required by federal law to meet employment standards. "Considered for any position" includes decisions about (a) initial hiring, layoffs, reallocations, transfers, promotions, or demotions, or (b) other decisions that result in an individual being in a position that will or may have unsupervised access to children as an employee, an intern, or a volunteer.

(4) The secretary of the department of children, youth, and families shall adopt rules and investigate conviction records,

pending charges, and other information including civil adjudication proceeding records, in the following circumstances:

(a) When licensing or certifying agencies with individuals in positions that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood education services, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(b) When authorizing individuals who will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services in licensed or certified agencies, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(c) When contracting with any business or organization for activities that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services;

(d) When establishing the eligibility criteria for individual providers to receive state paid subsidies to provide child day care or early learning services that will or may involve unsupervised access to children; and

(e) When responding to a request from an individual for a certificate of parental improvement under chapter 74.13 RCW.

(5) Whenever a state conviction record check is required by state law, persons may be employed or engaged as volunteers or independent contractors on a conditional basis pending completion of the state background investigation. Whenever a national criminal record check through the federal bureau of investigation is required by state law, a person may be employed or engaged as a volunteer or independent contractor on a conditional basis pending completion of the national check. The office of financial management shall adopt rules to accomplish the purposes of this subsection as it applies to state employees. The department of social and health services shall adopt rules to accomplish the purpose of this subsection as it applies to long-term care workers subject to RCW 74.39A.056.

(6)(a) For purposes of facilitating timely access to criminal background information and to reasonably minimize the number of requests made under this section, recognizing that certain health care providers change employment frequently, health care facilities may, upon request from another health care facility, share copies of completed Washington state criminal background inquiry information.

(b) Completed state criminal background inquiry information may be shared by a willing health care facility only if the following conditions are satisfied: The licensed health care facility sharing the state criminal background inquiry information is reasonably known to be the person's most recent employer, no more than twelve months has elapsed from the date the person was last employed at a licensed health care facility to the date of their current employment application, and the state criminal background information is no more than two years old.

(c) If state criminal background inquiry information is shared, the health care facility employing the subject of the inquiry must require the applicant to sign a disclosure statement indicating that there has been no conviction or finding as described in RCW 43.43.842 since the completion date of the most recent criminal background inquiry.

(d) Any health care facility that knows or has reason to believe that an applicant has or may have a disqualifying conviction or finding as described in RCW 43.43.842, subsequent to the completion date of their most recent criminal background inquiry, shall be prohibited from relying on the applicant's previous employer's state criminal background inquiry information. A new state criminal background inquiry shall be requested pursuant to RCW 43.43.830 through 43.43.842.

(e) Health care facilities that share state criminal background inquiry information shall be immune from any claim of defamation, invasion of privacy, negligence, or any other claim in connection with any dissemination of this information in accordance with this subsection.

(f) Health care facilities shall transmit and receive the state criminal background inquiry information in a manner that reasonably protects the subject's rights to privacy and confidentiality.

(7) The department of social and health services may not consider any final founded finding of physical abuse or negligent treatment or maltreatment of a child made pursuant to chapter 26.44 RCW that is accompanied by a certificate of parental improvement or dependency as a result of a finding of abuse or neglect pursuant to chapter 13.34 RCW that is accompanied by a certificate of parental improvement when evaluating an applicant or employee's character, competency, and suitability pursuant to any background check authorized or required by this chapter, RCW 43.20A.710 or 74.39A.056, or any of the rules adopted thereunder.

**Sec. 3.** RCW 43.43.837 and 2022 c 297 s 954 are each amended to read as follows:

(1) ((~~Except as provided in subsection (2) of this section, in~~))In order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access to vulnerable adults, children, or juveniles, the secretary of the department of social and health services ((~~and the secretary of the department of children, youth, and families may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and~~))shall require the applicant or service

provider to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation when the applicant or service provider:

(a) ((~~Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;~~

~~(b) Is an individual sixteen years of age or older who: (i) Is not under the placement and care authority of the department of children, youth, and families; and (ii) resides in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department of children, youth, and families to provide services to children under RCW 74.15.030;~~

~~(c) Is an individual who is authorized by the department of social and health services to provide services to people with developmental disabilities under RCW 74.15.030; or~~

~~(d) Is an applicant or service provider providing in-home services funded by:~~

~~(i) Medicaid personal care under RCW 74.09.520;~~

~~(ii) Community options program entry system waiver services under RCW 74.39A.030;~~

~~(iii) Chore services under RCW 74.39A.110; or~~

~~(iv) Other~~))Has resided in the state less than three consecutive years before application and:

(i) Is a contractor providing services funded by other home and community long-term care programs, established pursuant to chapters 71A.12, 74.09, 74.39, and 74.39A RCW, administered by the department of social and health services;

(ii) Is an individual who is authorized by the department of social and health services to provide services to people with developmental disabilities under RCW 74.15.030; or

(iii) Is applying for employment or is already employed by an area agency on aging or federally recognized Indian tribe, or is an employee of a contractor of an area agency on aging or federally recognized Indian tribe, that will, or may, have unsupervised access to vulnerable adults, children, or juveniles when engaging in the activities described in RCW 74.09.520(5);

(b) Is applying for employment or is already employed at any secure facility operated by the department of social and health services under chapter 71.09 RCW;

(c) Is applying to be an adult family home licensee, entity representative, or resident manager under chapter 70.128 RCW;

(d) Is applying to be an assisted living facility licensee or administrator under chapter 18.20 RCW;

(e) Is applying to be an enhanced services facility licensee or administrator under chapter 70.97 RCW;

(f) Is applying to be a certified community residential services and supports provider or administrator under chapter 71A.12 RCW; or

(g) Has been categorized as a high-risk provider as defined in subsection (10)(f) of this section.

(2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 7, 2012, are subject to fingerprint-based background checks under RCW 74.39A.056.

(3) ((~~To satisfy the shared background check requirements provided for in RCW 43.216.270 and 43.20A.710, the department of children, youth, and families and the department of social and health services shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow both departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. Neither department may share the federal background check results with any other state agency or person.~~))In order to determine the character, competence, and suitability of an applicant or service provider to have unsupervised access to children or juveniles, the secretary of the department of children, youth, and families shall require the applicant or service provider to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation when the applicant or service provider:

(a) Is applying for a license under RCW 74.15.030 or is an adult living in a home where a child is placed;

(b) Is applying for employment or already employed at a group care facility, regardless of whether the applicant is working directly with children;

(c) Is newly applying for an agency license, is newly licensed, is an employee of an agency that is newly licensed, or will newly have unsupervised access to children in child care, pursuant to RCW 43.216.270; or

(d) Has resided in the state less than three consecutive years before application; and:

(i) Is applying for employment, promotion, reallocation, or transfer to a position the department of children, youth, and families has identified as one that will, or may, require the applicant to have unsupervised access to children or juveniles because of the nature of the work;

(ii) Is a business or individual contracted to provide services to children or people with developmental disabilities under RCW 74.15.030; or

(iii) Is an individual 16 years of age or older who: (A) Is not under the placement and care authority of the department of children, youth, and families; and (B) resides in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department of children, youth, and families to provide services to children under RCW 74.15.030.

(4) The secretary of the department of children, youth, and families shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement

of children in accordance with federal and state law. Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department of children, youth, and families for applicants and service providers providing foster care as required in RCW 74.15.030.

(5) ((~~Any secure facility operated by the department of social and health services or the department of children, youth, and families under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.~~

~~(6) Service providers and service provider applicants~~))Applicants and service providers of the department of social and health services, except for ((~~those~~)) long-term care workers ((~~exempted in subsection (2) of this section~~))subject to RCW 74.39A.056, who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:

(a) A fingerprint-based background check is pending; and

(b) The applicant or service provider is not disqualified based on the immediate result of the background check.

((~~(7)~~))(6) Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the applicable department for applicants or service providers providing:

(a) Services to people with a developmental disability under RCW 74.15.030;

(b) In-home services funded by medicaid personal care under RCW 74.09.520;

(c) Community options program entry system waiver services under RCW 74.39A.030;

(d) Chore services under RCW 74.39A.110;

(e) Services under other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department of social and health services or the department of children, youth, and families;

(f) Services in, or to residents of, a secure facility under RCW 71.09.115; and

(g) For fiscal year 2023, applicants for child care and early learning services to children under RCW 43.216.270.

((~~(8) Service providers~~))(7) Applicants licensed under RCW 74.15.030 must pay fees charged by the Washington state patrol and the federal bureau of investigation for conducting fingerprint-based background checks.

((~~(9)~~))(8) Department of children, youth, and families ((~~service providers licensed~~))licensees under RCW 74.15.030 may not pass on the cost of the background check fees to their ((~~applicants~~))employees unless the individual is determined to be disqualified due to the background information.

((~~(10)~~))(9) The department of social and health services and the department of children, youth, and families shall develop rules identifying the financial responsibility of service providers, applicants, and the respective department for paying the fees charged by law enforcement to roll, print, or scan fingerprints-based for the purpose of a Washington state patrol or federal bureau of investigation fingerprint-based background check.

((~~(11)~~))(10) For purposes of this section, unless the context plainly indicates otherwise:

(a) "Applicant" means a current or prospective department of social and health services, department of children, youth, and families, or service provider employee, volunteer, student, intern, researcher, contractor, or any other individual specified in subsection (1)(a) through (g) or (3)(a) through (d) of this section who will or may have unsupervised access to vulnerable adults, children, or juveniles because of the nature of the work or services he or she provides. "Applicant" includes ((~~but is not limited to~~)) any individual who will or may have unsupervised access to vulnerable adults, children, or juveniles and is:

(i) Applying for a license or certification from the department of social and health services or the department of children, youth, and families;

(ii) Seeking a contract with the department of social and health services, the department of children, youth, and families, or a service provider;

(iii) Applying for employment, promotion, reallocation, or transfer; or

(iv) An individual that a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client chooses to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered((~~; or~~

~~(v) A department of social and health services or department of children, youth, and families applicant who will or may work in a department-covered position~~)).

(b) "Area agency on aging" means an agency that is designated by the state to address the needs and concerns of older persons at the regional and local levels and is responsible for a particular geographic area that is a tribal reservation, a single county, or a multicounty planning area. Area agencies on aging have governance based on the corresponding county, city, tribal government, or council of governments.

(c) "Authorized" means the department of social and health services or the department of children, youth, and families grants an applicant, home, or facility permission to:

(i) Conduct licensing, certification, or contracting activities;

(ii) Have unsupervised access to vulnerable adults, juveniles, and children;

(iii) Receive payments from a department of social and health services or department of children, youth, and families program; or

(iv) Work or serve in a department of social and health services or department of children, youth, and families((~~covered~~))employment position.

((~~(c) "Secretary" means the secretary of the department of social and health services.~~

~~(d) "Secure facility" has the meaning provided in RCW 71.09.020.~~

~~(e)~~))(d) "Community residential services and supports provider" means a person or entity certified by the department of social and health services to deliver one or more of the services described in RCW 71A.12.040 to a person with a developmental disability, as defined in RCW 71A.10.020, who is eligible to receive services from the department of social and health services.

(e) "Entity representative" means the individual designated by an entity provider or entity applicant who:

(i) Is the representative of the entity for the purposes of fulfilling the training and qualification requirements of the state that only an individual can fulfill and an entity cannot;

(ii) Is responsible for overseeing the operation of the home; and

(iii) Does not hold the license on behalf of the entity.

(f) "High-risk provider" means a service provider that has been designated by the state medicaid agency as posing an increased financial risk of fraud, waste, or abuse to the medicaid program. A "high-risk provider" additionally includes any person who has a five percent or more direct or indirect ownership interest in such a provider.

(g) "Service provider" means entities, facilities, agencies, businesses, or individuals who are licensed, certified, authorized, or regulated by, receive payment from, or have contracts or agreements with the department of social and health services or the department of children, youth, and families to provide services to vulnerable adults, juveniles, or children. "Service provider" includes individuals whom a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client may choose to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered.

**Sec. 4.** RCW 74.39A.056 and 2021 c 203 s 3 are each amended to read as follows:

(1)(a) All long-term care workers shall be screened through state and federal background checks in a uniform and timely manner to verify that they do not have a history that would disqualify them from working with vulnerable persons. The department must process background checks for long-term care workers and ((~~make the information available to employers, prospective employers, and others as authorized by law~~)), based on this screening, inform employers, prospective employers, and others as authorized by law, whether screened applicants are ineligible for employment.

(b)(i) For long-term care workers hired on or after January 7, 2012, the background checks required under this section shall include checking against the federal bureau of investigation fingerprint identification records system or its successor program. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation. The department shall not pass on the cost of these criminal background checks to the workers or their employers.

(ii) A long-term care worker who is not disqualified by the state background check can work and have unsupervised access pending the results of the federal bureau of investigation fingerprint background check as allowed by rules adopted by the department.

((~~(c) The department shall share state and federal background check results with the department of health in accordance with RCW 18.88B.080.~~

~~(d) Background check screening required under this section and department rules is not required for an employee of a consumer directed employer if all of the following circumstances apply:~~

~~(i) The individual has an individual provider contract with the department;~~

~~(ii) The last background check on the contracted individual provider is still valid under department rules and did not disqualify the individual from providing personal care services;~~

~~(iii) Employment by the consumer directed employer is the only reason a new background check would be required; and~~

~~(iv) The department's background check results have been shared with the consumer directed employer.~~

~~(e) The department may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time.~~))

(2) A provider may not be employed in the care of and have unsupervised access to vulnerable adults if:

(a) The provider is on the vulnerable adult abuse registry or on any other registry based upon a finding of abuse, abandonment, neglect, or financial exploitation of a vulnerable adult;

(b) On or after October 1, 1998, the department of children, youth, and families, or its predecessor agency, has made a founded finding of abuse or neglect of a child against the provider. If the provider has received a certificate of parental improvement under chapter 74.13 RCW pertaining to the finding, the provider is not disqualified under this section;

(c) A disciplining authority, including the department of health, has made a finding of abuse, abandonment, neglect, or financial exploitation of a minor or a vulnerable adult against the provider; or

(d) A court has issued an order that includes a finding of fact or conclusion of law that the provider has committed abuse,

abandonment, neglect, or financial exploitation of a minor or vulnerable adult. If the provider has received a certificate of parental improvement under chapter 74.13 RCW pertaining to the finding of fact or conclusion of law, the provider is not disqualified under this section.

(3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.

(4) For the purposes of this section, "provider" means:

(a) An individual provider as defined in RCW 74.39A.240;

(b) An employee, licensee, or contractor of any of the following: A home care agency licensed under chapter 70.127 RCW; a nursing home under chapter 18.51 RCW; an assisted living facility under chapter 18.20 RCW; an enhanced services facility under chapter 70.97 RCW; a certified resident services and supports agency licensed or certified under chapter 71A.12 RCW; an adult family home under chapter 70.128 RCW; or any long-term care facility certified to provide medicaid or medicare services; and

(c) Any contractor of the department who may have unsupervised access to vulnerable adults.

(5) The department shall adopt rules to implement this section."

Correct the title.

Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan; Dent; Goodman; Ortiz-Self; Rule and Walsh.

Referred to Committee on Rules for second reading

March 24, 2023

SB 5280 Prime Sponsor, Senator Frame: Concerning the duty of clergy to report child abuse or neglect. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 26.44.020 and 2021 c 215 s 142 and 2021 c 67 s 3 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Abuse or neglect" means sexual abuse, sexual exploitation, or injury of a child by any person under circumstances which cause harm to the child's health, welfare, or safety, excluding conduct permitted under RCW 9A.16.100; or the negligent treatment or maltreatment of a child by a person responsible for or providing care to the child. An abused child is a child who has been subjected to child abuse or neglect as defined in this section.

(2) "Child" or "children" means any person under the age of eighteen years of age.

(3) "Child forensic interview" means a developmentally sensitive and legally sound method of gathering factual information regarding allegations of child abuse, child neglect, or exposure to violence. This interview is conducted by a competently trained, neutral professional utilizing techniques informed by research and best practice as part of a larger investigative process.

(4) "Child protective services" means those services provided by the department designed to protect children from child abuse and neglect and safeguard such children from future abuse and neglect, and conduct investigations of child abuse and neglect reports. Investigations may be conducted regardless of the location of the alleged abuse or neglect. Child protective services includes referral to services to ameliorate conditions that endanger the welfare of children, the coordination of necessary programs and services relevant to the prevention, intervention, and treatment of child abuse and neglect, and services to children to ensure that each child has a permanent home. In determining whether protective services should be provided, the department shall not decline to provide such services solely because of the child's unwillingness or developmental inability to describe the nature and severity of the abuse or neglect.

(5) "Child protective services section" means the child protective services section of the department.

(6) "Child who is a candidate for foster care" means a child who the department identifies as being at imminent risk of entering foster care but who can remain safely in the child's home or in a kinship placement as long as services or programs that are necessary to prevent entry of the child into foster care are provided, and includes but is not limited to a child whose adoption or guardianship arrangement is at risk of a disruption or dissolution that would result in a foster care placement. The term includes a child for whom there is reasonable cause to believe that any of the following circumstances exist:

(a) The child has been abandoned by the parent as defined in RCW 13.34.030 and the child's health, safety, and welfare is seriously endangered as a result;

(b) The child has been abused or neglected as defined in this chapter and the child's health, safety, and welfare is seriously endangered as a result;

(c) There is no parent capable of meeting the child's needs such that the child is in

circumstances that constitute a serious danger to the child's development;

(d) The child is otherwise at imminent risk of harm.

(7) "Children's advocacy center" means a child-focused facility in good standing with the state chapter for children's advocacy centers and that coordinates a multidisciplinary process for the investigation, prosecution, and treatment of sexual and other types of child abuse. Children's advocacy centers provide a location for forensic interviews and coordinate access to services such as, but not limited to, medical evaluations, advocacy, therapy, and case review by multidisciplinary teams within the context of county protocols as defined in RCW 26.44.180 and 26.44.185.

(8) "((~~Clergy~~))Member of the clergy" means any regularly licensed, accredited, or ordained minister, priest, ((~~or~~)) rabbi, imam, elder, or similarly situated religious or spiritual leader of any church ((~~or~~)), religious denomination, religious body, spiritual community, or sect, or person performing official duties that are recognized as the duties of a member of the clergy under the discipline, tenets, doctrine, or custom of the person's church, religious denomination, religious body, spiritual community, or sect, whether acting in an individual capacity or as an employee ((~~or~~)), agent, or official of any public or private organization or institution.

(9) "Court" means the superior court of the state of Washington, juvenile department.

(10) "Department" means the department of children, youth, and families.

(11) "Experiencing homelessness" means lacking a fixed, regular, and adequate nighttime residence, including circumstances such as sharing the housing of other persons due to loss of housing, economic hardship, fleeing domestic violence, or a similar reason as described in the federal McKinney-Vento homeless assistance act (Title 42 U.S.C., chapter 119, subchapter I) as it existed on January 1, 2021.

(12) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(13) "Family assessment response" means a way of responding to certain reports of child abuse or neglect made under this chapter using a differential response approach to child protective services. The family assessment response shall focus on the safety of the child, the integrity and preservation of the family, and shall assess the status of the child and the family in terms of risk of abuse and neglect including the parent's or guardian's or other caretaker's capacity and willingness to protect the child and, if necessary, plan and arrange the provision of services to reduce the risk and otherwise support the family. No one is named as a perpetrator, and no investigative finding is entered in the record as a result of a family assessment.

(14) "Founded" means the determination following an investigation by the department that, based on available information, it is more likely than not that child abuse or neglect did occur.

(15) "Inconclusive" means the determination following an investigation by the department of social and health services, prior to October 1, 2008, that based on available information a decision cannot be made that more likely than not, child abuse or neglect did or did not occur.

(16) "Institution" means a private or public hospital or any other facility providing medical diagnosis, treatment, or care.

(17) "Law enforcement agency" means the police department, the prosecuting attorney, the state patrol, the director of public safety, or the office of the sheriff.

(18) "Malice" or "maliciously" means an intent, wish, or design to intimidate, annoy, or injure another person. Such malice may be inferred from an act done in willful disregard of the rights of another, or an act wrongfully done without just cause or excuse, or an act or omission of duty betraying a willful disregard of social duty.

(19) "Negligent treatment or maltreatment" means an act or a failure to act, or the cumulative effects of a pattern of conduct, behavior, or inaction, that evidences a serious disregard of consequences of such magnitude as to constitute a clear and present danger to a child's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100. When considering whether a clear and present danger exists, evidence of a parent's substance abuse as a contributing factor to negligent treatment or maltreatment shall be given great weight. The fact that siblings share a bedroom is not, in and of itself, negligent treatment or maltreatment. Poverty, experiencing homelessness, or exposure to domestic violence as defined in RCW 7.105.010 that is perpetrated against someone other than the child does not constitute negligent treatment or maltreatment in and of itself.

(20) "Pharmacist" means any registered pharmacist under chapter 18.64 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(21) "Practitioner of the healing arts" or "practitioner" means a person licensed by this state to practice podiatric medicine and surgery, optometry, chiropractic, nursing, dentistry, osteopathic medicine and surgery, or medicine and surgery or to provide other health services. The term "practitioner" includes a duly accredited Christian Science practitioner. A person who is being furnished Christian Science treatment by a duly accredited Christian Science practitioner will not be considered, for that reason alone, a neglected person for the purposes of this chapter.

(22) "Prevention and family services and programs" means specific mental health prevention and treatment services, substance abuse prevention and treatment services, and in-home parent skill-based programs that qualify for federal funding under the federal family first prevention services act, P.L. 115-123. For purposes of this chapter, prevention and family services and programs are not remedial services or family reunification services as described in RCW 13.34.025(2).

(23) "Professional school personnel" include, but are not limited to, teachers, counselors, administrators, child care facility personnel, and school nurses.

(24) "Psychologist" means any person licensed to practice psychology under chapter 18.83 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(25) "Screened-out report" means a report of alleged child abuse or neglect that the department has determined does not rise to the level of a credible report of abuse or neglect and is not referred for investigation.

(26) "Sexual exploitation" includes: (a) Allowing, permitting, or encouraging a child to engage in prostitution by any person; or (b) allowing, permitting, encouraging, or engaging in the obscene or pornographic photographing, filming, or depicting of a child by any person.

(27) "Sexually aggressive youth" means a child who is defined in RCW 74.13.075(1)(b) as being a sexually aggressive youth.

(28) "Social service counselor" means anyone engaged in a professional capacity during the regular course of employment in encouraging or promoting the health, welfare, support, or education of children, or providing social services to adults or families, including mental health, drug and alcohol treatment, and domestic violence programs, whether in an individual capacity, or as an employee or agent of any public or private organization or institution.

(29) "Unfounded" means the determination following an investigation by the department that available information indicates that, more likely than not, child abuse or neglect did not occur, or that there is insufficient evidence for the department to determine whether the alleged child abuse did or did not occur.

**Sec. 2.** RCW 26.44.030 and 2019 c 172 s 6 are each amended to read as follows:

(1)(a) When any practitioner, <u>member of the clergy,</u> county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of children, youth, and families, licensed or certified child care providers or their employees, employee of the department of social and health services, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, state family and children's ombuds or any volunteer in the ombuds's office, or host home program has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Organization" includes a sole proprietor, partnership, corporation, limited liability company, trust, association, financial institution, governmental entity, other than the federal government, and any other individual or group engaged in a trade, occupation, enterprise, governmental function, charitable function, or similar activity in this state whether or not the entity is operated as a nonprofit or for-profit entity.

(iii) "Reasonable cause" means a person witnesses or receives a credible written or oral report alleging abuse, including sexual contact, or neglect of a child.

(iv) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(v) "Sexual contact" has the same meaning as in RCW 9A.44.010.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the

incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child who resides with them, has suffered severe abuse, and is able or capable of making a report. For the purposes of this subsection, "severe abuse" means any of the following: Any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, could cause death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, bone fracture, or unconsciousness.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11 and 13 RCW and this title, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The reporting requirement in (a) of this subsection also applies to administrative and academic or athletic department employees, including student employees, of institutions of higher education, as defined in RCW 28B.10.016, and of private institutions of higher education.

(g) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency, including military law enforcement, if appropriate. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventy-two hours after a report is received by the department. If the department makes an oral report, a written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or

release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report that a child is a candidate for foster care as defined in RCW 26.44.020, the department may provide prevention and family services and programs to the child's parents, guardian, or caregiver. The department may not be held civilly liable for the decision regarding whether to provide prevention and family services and programs, or for the provision of those services and programs, for a child determined to be a candidate for foster care.

(11) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(12)(a) Upon receiving a report of alleged abuse or neglect, the department shall use one of the following discrete responses to reports of child abuse or neglect that are screened in and accepted for departmental response:

(i) Investigation; or

(ii) Family assessment.

(b) In making the response in (a) of this subsection the department shall:

(i) Use a method by which to assign cases to investigation or family assessment which are based on an array of factors that may include the presence of: Imminent danger, level of risk, number of previous child abuse or neglect reports, or other presenting case characteristics, such as the type of alleged maltreatment and the age of the alleged victim. Age of the alleged victim shall not be used as the sole criterion for determining case assignment;

(ii) Allow for a change in response assignment based on new information that alters risk or safety level;

(iii) Allow families assigned to family assessment to choose to receive an investigation rather than a family assessment;

(iv) Provide a full investigation if a family refuses the initial family assessment;

(v) Provide voluntary services to families based on the results of the initial family assessment. If a family refuses voluntary services, and the department cannot identify specific facts related to risk or safety that warrant assignment to investigation under this chapter, and there is not a history of reports of child abuse or neglect related to the family, then the department must close the family assessment response case. However, if at any time the department identifies risk or safety factors that warrant an investigation under this chapter, then the family assessment response case must be reassigned to investigation;

(vi) Conduct an investigation, and not a family assessment, in response to an allegation that, the department determines based on the intake assessment:

(A) Indicates a child's health, safety, and welfare will be seriously endangered if not taken into custody for reasons including, but not limited to, sexual abuse and sexual exploitation of the child as defined in this chapter;

(B) Poses a serious threat of substantial harm to a child;

(C) Constitutes conduct involving a criminal offense that has, or is about to occur, in which the child is the victim;

(D) The child is an abandoned child as defined in RCW 13.34.030;

(E) The child is an adjudicated dependent child as defined in RCW 13.34.030, or the child is in a facility that is licensed, operated, or certified for care of children by the department under chapter 74.15 RCW.

(c) In addition, the department may use a family assessment response to assess for and provide prevention and family services and programs, as defined in RCW 26.44.020, for the following children and their families, consistent with requirements under the federal family first prevention services act and this section:

(i) A child who is a candidate for foster care, as defined in RCW 26.44.020; and

(ii) A child who is in foster care and who is pregnant, parenting, or both.

(d) The department may not be held civilly liable for the decision to respond to an allegation of child abuse or neglect by using the family assessment response under this section unless the state or its officers, agents, or employees acted with reckless disregard.

(13)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

(14) For reports of alleged abuse or neglect that are responded to through family assessment response, the department shall:

(a) Provide the family with a written explanation of the procedure for assessment of the child and the family and its purposes;

(b) Collaborate with the family to identify family strengths, resources, and service needs, and develop a service plan with the goal of reducing risk of harm to the child and improving or restoring family well-being;

(c) Complete the family assessment response within forty-five days of receiving the report except as follows:

(i) Upon parental agreement, the family assessment response period may be extended up to one hundred twenty days. The department's extension of the family assessment response period must be operated within the department's appropriations;

(ii) For cases in which the department elects to use a family assessment response as authorized under subsection (12)(c) of this section, and upon agreement of the child's parent, legal guardian, legal custodian, or relative placement, the family assessment response period may be extended up to one year. The department's extension of the family assessment response must be operated within the department's appropriations.

(d) Offer services to the family in a manner that makes it clear that acceptance of the services is voluntary;

(e) Implement the family assessment response in a consistent and cooperative manner;

(f) Have the parent or guardian agree to participate in services before services are initiated. The department shall inform the parents of their rights under family assessment response, all of their options, and the options the department has if the parents do not agree to participate in services.

(15)(a) In conducting an investigation or family assessment of alleged abuse or neglect, the department or law enforcement agency:

(i) May interview children. If the department determines that the response to the allegation will be family assessment response, the preferred practice is to request a parent's, guardian's, or custodian's permission to interview the child before conducting the child interview unless doing so would compromise the safety of the child or the integrity of the assessment. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. If the allegation is investigated, parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(ii) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

(b) The Washington state school directors' association shall adopt a model policy addressing protocols when an interview, as authorized by this subsection, is conducted on school premises. In formulating its policy, the association shall consult with the department and the Washington association of sheriffs and police chiefs.

(16) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombuds of the contents of the report. The department shall also notify the ombuds of the disposition of the report.

(17) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

(18)(a) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(b) In the family assessment response, the department shall not make a finding as to whether child abuse or neglect occurred. No one shall be named as a perpetrator and no investigative finding shall be entered in the department's child abuse or neglect database.

(19) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor.

(20) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

(21) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

(22) The department shall make efforts as soon as practicable to determine the military status of parents whose children are subject to abuse or neglect allegations. If the department determines that a parent or guardian is in the military, the department shall notify a department of defense family advocacy program that there is an allegation of abuse and neglect that

is screened in and open for investigation that relates to that military parent or guardian.

(23) The department shall make available on its public website a downloadable and printable poster that includes the reporting requirements included in this section. The poster must be no smaller than eight and one-half by eleven inches with all information on one side. The poster must be made available in both the English and Spanish languages. Organizations that include employees or volunteers subject to the reporting requirements of this section must clearly display this poster in a common area. At a minimum, this poster must include the following:

(a) Who is required to report child abuse and neglect;

(b) The standard of knowledge to justify a report;

(c) The definition of reportable crimes;

(d) Where to report suspected child abuse and neglect; and

(e) What should be included in a report and the appropriate timing."

Correct the title.

Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Couture, Assistant Ranking Minority Member; Callan; Goodman; Ortiz-Self and Rule.

MINORITY recommendation: Do not pass. Signed by Representatives Eslick, Ranking Minority Member; Dent; and Walsh.

Referred to Committee on Rules for second reading

March 24, 2023

SSB 5304 Prime Sponsor, Human Services: Testing individuals who provide language access to state services. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass. Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan; Goodman and Rule.

MINORITY recommendation: Without recommendation. Signed by Representatives Dent; and Walsh.

Referred to Committee on Rules for second reading

March 24, 2023

SSB 5398 Prime Sponsor, Human Services: Concerning domestic violence funding allocation. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass. Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan; Dent; Goodman; Rule and Walsh.

Referred to Committee on Rules for second reading

March 24, 2023

ESSB 5515 Prime Sponsor, Human Services: Protecting children from child abuse and neglect. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that there is a lack of oversight of certain residential facilities and residential private schools charged with the care of children. It is the intent of the legislature to ensure that the health, safety, and well-being of children who are served in residential facilities and residential private schools are protected against child abuse and neglect and have their basic health and safety needs met. The legislature intends for greater state oversight of such facilities that otherwise lack nationally recognized accreditation and intends for the department of children, youth, and families and the department of health to work collaboratively to coordinate oversight and monitoring processes to ensure state resources are used efficiently and effectively. Therefore, the legislature resolves to conduct investigations of certain residential facilities and residential private schools when allegations of child abuse or neglect are made at those facilities.

NEW SECTION. **Sec. 2.** A new section is added to chapter 74.15 RCW to read as follows:

(1)(a) The department shall license the living accommodations provided by residential private schools as defined in RCW 74.15.020. Accommodations include all areas and school operations that are intended to allow enrolled students to eat, sleep, bathe, recreate, or otherwise reside.

(b) A residential private school is exempt from the licensing requirements of (a) of this subsection if:

(i) The residential private school is accredited by an accrediting body approved by the state board of education in accordance with accreditation standards and procedures established by the state board of education under RCW 28A.305.130; and

(ii) The accreditation covers the student living accommodations including examination of comparable criteria as listed in subsection (2) of this section as determined by the state board of education in consultation with the department.

(2) The department shall engage in negotiated rule making pursuant to RCW 34.05.310(2)(a) with the state board of education and other affected interests to adopt minimum health and safety rules to implement this section. Rules must address the needs of children and youth during noninstructional hours, including but not limited to space allotted to each child or youth for sleeping, developmentally appropriate privacy requirements, personal storage, nutritional needs, cleanliness and hygiene of living quarters, social-emotional well-being during noninstructional hours, health and wellness accommodations,

compliance with the Americans with disabilities act, and physical safety.

**Sec. 3.** RCW 26.44.210 and 2019 c 266 s 13 are each amended to read as follows:

(1)(a) The department ((~~must~~))shall investigate all referrals of alleged child abuse or neglect occurring at the ((~~state school for the deaf, including alleged incidents involving students abusing other students;~~))Washington center for deaf and hard of hearing youth, substance use disorder treatment facilities licensed under chapter 71.24 RCW that treat patients on a residential basis, entities that provide behavioral health services as defined in RCW 71.24.025 on a residential basis, host homes as described in RCW 74.15.020(2)(o), and residential private schools as defined in this section.

(b) After investigating an allegation of child abuse or neglect under this section, the department shall determine whether there is a finding of abuse or neglect((~~,~~)), and determine whether a referral to law enforcement is appropriate under this chapter.

(c) The department must adopt rules to implement this section.

(d) Any facilities referenced under (a) of this subsection where the department is investigating child abuse or neglect shall share records and any other information that is relevant to the department's investigation. Any records or information shared with the department retains any otherwise existing confidentiality protections under state or federal law.

(2) The department must send a copy of the investigation report, including the finding, regarding any incidents of alleged child abuse or neglect ((~~at the state school for the deaf~~)) to the ((~~director of the Washington center for deaf and hard of hearing youth, or the director's designee. The department may include recommendations to the director and the board of trustees or its successor board for increasing the safety of the school's students.~~))administration of the facility in which the incident occurred and to the state agency which provides licensure, oversight, or accreditation to the program at the facility in which the incident occurred.

(3) "Residential private school" means a nonpublic school or nonpublic school district subject to approval by the state board of education pursuant to RCW 28A.305.130 and chapter 28A.195 RCW that provides sleeping and living facilities or residential accommodations for enrolled students.

**Sec. 4.** RCW 74.15.020 and 2021 c 176 s 5239 are each amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 74.13.031 unless the context clearly requires otherwise.

(1) "Agency" means any person, firm, partnership, association, corporation, ((~~or~~)) facility, or residential private school which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers, or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 43.185C.295 through 43.185C.310;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis. "Group care facility" includes but is not limited to:

(i) Qualified residential treatment programs as defined in RCW 13.34.030;

(ii) Facilities specializing in providing prenatal, postpartum, or parenting supports for youth; and

(iii) Facilities providing high quality residential care and supportive services to children who are, or who are at risk of becoming, victims of sex trafficking;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other

services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Residential private school" means a nonpublic school or nonpublic school district subject to approval by the state board of education pursuant to RCW 28A.305.130 and chapter 28A.195 RCW that provides sleeping and living facilities or residential accommodations for enrolled students;

(j) "Resource and assessment center" means an agency that provides short-term emergency and crisis care for a period up to seventy-two hours, excluding Saturdays, Sundays, and holidays to children who have been removed from their parent's or guardian's care by child protective services or law enforcement;

((~~(j)~~)) (k) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

((~~(k)~~)) (l) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (2), even after the marriage is terminated;

(v) Relatives, as named in (a)(i), (ii), (iii), or (iv) of this subsection (2), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twenty-four-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States citizenship and immigration services, or persons who have the care of such an international child in their home;

(f) ((~~Schools, including boarding~~))Nonresidential schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and assisted living facilities licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(o)(i) A host home program, and host home, operated by a tax exempt organization for youth not in the care of or receiving services from the department, if that program: (A) Recruits and screens potential homes in the program, including performing background checks on individuals over the age of eighteen residing in the home through the Washington state patrol or equivalent law enforcement agency and performing physical inspections of the home; (B) screens and provides case management services to youth in the program; (C) obtains a notarized permission slip or limited power of attorney from the parent or legal guardian of the youth authorizing the youth to participate in the program and the authorization is updated every six months when a youth remains in a host home longer than six months; (D) obtains insurance for the program through an insurance provider authorized under Title 48 RCW; (E) provides mandatory reporter and confidentiality training; and (F) registers with the secretary of state under RCW 74.15.315.

(ii) For purposes of this section, a "host home" is a private home that volunteers to host youth in need of temporary placement that is associated with a host home program.

(iii) For purposes of this section, a "host home program" is a program that provides support to individual host homes and meets the requirements of (o)(i) of this subsection.

(iv) Any host home program that receives local, state, or government funding shall report the following information to the office of homeless youth prevention and protection programs annually by December 1st of each year: The number of children the program served, why the child was placed with a host home, and where the child went after leaving the host home, including but not limited to returning to the parents, running away, reaching the age of majority, or becoming a dependent of the state;

(p) Receiving centers as defined in RCW 7.68.380.

(3) "Department" means the department of children, youth, and families.

(4) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(5) "Performance-based contracts" or "contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts may also include provisions that link the performance of the contractor to the level and timing of the reimbursement.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of the department.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the workforce innovation and opportunity act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

NEW SECTION. **Sec. 5.** A new section is added to chapter 71.24 RCW to read as follows:

Any substance use disorder treatment facilities and entities that provide behavioral health services where the department of children, youth, and families is investigating child abuse or neglect, as provided for under RCW 26.44.210, shall share records and any other information that is relevant to the department of children, youth, and families' investigation. Any records or information shared with the department of children, youth, and families retains any confidentiality protections under state or federal law.

NEW SECTION. **Sec. 6.** The department of children, youth, and families shall submit to the appropriate committees of the legislature, in compliance with RCW 43.01.036, a preliminary progress report on licensing and oversight of residential private schools no later than July 1, 2025, and final report no later than July 1, 2026.

NEW SECTION. **Sec. 7.** 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. 8.** Sections 2 and 4 of this act take effect July 1, 2025.

NEW SECTION. **Sec. 9.** Section 3 of this act takes effect January 1, 2024."

Correct the title.

Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan; Dent; Goodman; Rule and Walsh.

Referred to Committee on Appropriations

March 24, 2023

ESSB 5599 Prime Sponsor, Human Services: Supporting youth and young adults seeking protected health care services. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that unsheltered homelessness for youth poses a serious threat to their health and safety. The Trevor project has found that one in three transgender youth report attempting suicide. Homelessness amongst transgender youth can further endanger an already at-risk population. The legislature further finds that barriers to accessing shelter can place a chilling effect on exiting unsheltered homelessness and therefore create additional risk and dangers for youth. Youth seeking certain medical services are especially at risk and vulnerable. Therefore, the legislature intends to remove barriers to accessing temporary, licensed shelter accommodations for youth seeking certain protected health care services.

**Sec. 2.** RCW 13.32A.082 and 2013 c 4 s 2 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection, any person, unlicensed youth shelter, or runaway and homeless youth program that, without legal authorization, provides shelter to a minor and that knows at the time of providing the shelter that the minor is away from a lawfully prescribed residence or home without parental permission, shall promptly report the location of the child to the parent, the law enforcement agency of the jurisdiction in which the person lives, or the department.

(b)(i) If a licensed overnight youth shelter, or another licensed organization with a stated mission to provide services to homeless or runaway youth and their families, shelters a child and knows at the time of providing the shelter that the child is away from a lawfully prescribed residence or home without parental permission, it must contact the youth's parent within seventy-two hours, but preferably within twenty-four hours, following the time that the youth is admitted to the shelter or other licensed organization's program. The notification must include the whereabouts of the youth, a description of the youth's physical and emotional condition, and the circumstances surrounding the youth's contact with the shelter or organization. If there are compelling reasons not to notify the parent, the shelter or organization must instead notify the department.

(ii) At least once every eight hours after learning that a youth receiving services or shelter under this section is away from home without permission, the shelter or organization staff must consult the information that the Washington state patrol makes publicly available under RCW 43.43.510(2). If the youth is publicly listed as missing, the shelter or organization must immediately notify the department of its contact with the youth listed as missing. The notification must include a description of the minor's physical and emotional condition and the circumstances surrounding the youth's contact with the shelter or organization.

(c) Reports required under this section may be made by telephone or any other reasonable means.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this section.

(a) "Shelter" means the person's home or any structure over which the person has any control.

(b) "Promptly report" means to report within eight hours after the person has knowledge that the minor is away from a lawfully prescribed residence or home without parental permission.

(c) "Compelling reasons" include, but are not limited to((~~, circumstances~~)):

(i) Circumstances that indicate that notifying the parent or legal guardian will subject the minor to abuse or neglect as defined in RCW 26.44.020; or

(ii) When a minor is seeking or receiving protected health care services.

(d) "Protected health care services" means gender affirming treatment as defined in RCW 74.09.675 and reproductive health care services as defined in RCW 74.09.875.

(3) When the department receives a report under subsection (1) of this section, it shall make a good faith attempt to notify the parent that a report has been received and offer services designed to resolve the conflict and accomplish a reunification of the family.

(4) Nothing in this section prohibits any person, unlicensed youth shelter, or runaway and homeless youth program from immediately reporting the identity and location of any minor who is away from a lawfully prescribed residence or home without parental permission more promptly than required under this section.

(5) Nothing in this section limits a person's duty to report child abuse or neglect as required by RCW 26.44.030 or removes the requirement that the law enforcement agency of the jurisdiction in which the person lives be notified.

**Sec. 3.** RCW 74.15.020 and 2021 c 176 s 5239 are each amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 74.13.031 unless the context clearly requires otherwise.

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers, or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 43.185C.295 through 43.185C.310;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis. "Group care facility" includes but is not limited to:

(i) Qualified residential treatment programs as defined in RCW 13.34.030;

(ii) Facilities specializing in providing prenatal, postpartum, or parenting supports for youth; and

(iii) Facilities providing high quality residential care and supportive services to children who are, or who are at risk of becoming, victims of sex trafficking;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Resource and assessment center" means an agency that provides short-term emergency and crisis care for a period up to seventy-two hours, excluding Saturdays, Sundays, and holidays to children who have been removed from their parent's or guardian's care by child protective services or law enforcement;

(j) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

(k) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (2), even after the marriage is terminated;

(v) Relatives, as named in (a)(i), (ii), (iii), or (iv) of this subsection (2), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twenty-four-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States citizenship and immigration services, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and assisted living facilities licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(o)(i) A host home program, and host home, operated by a tax exempt organization for youth not in the care of or receiving services from the department except as provided in subsection (2)(o)(iii) of this section, if that program: (A) Recruits and screens potential homes in the program, including performing background checks on individuals over the age of eighteen residing in the home through the Washington state patrol or equivalent law enforcement agency and performing physical inspections of the home; (B) screens and provides case management services to youth in the program; (C) obtains a notarized permission slip or limited power of attorney from the parent or legal guardian of the youth authorizing the youth to participate in the program and the authorization is updated every six months when a youth remains in a host home longer than six months, unless there is a compelling reason to not contact the parent or guardian; (D) obtains insurance for the program through an insurance provider authorized under Title 48 RCW; (E) provides mandatory reporter and confidentiality training; and (F) registers with the secretary of state under RCW 74.15.315.

(ii) If a host home program serves a child without parental authorization who is seeking or receiving protected health care services, the host home program must:

(A) Report to the department within 72 hours of the youth's participation in the program and following this report the department shall make a good faith attempt to notify the parent of this report and offer services designed to resolve the conflict and accomplish a reunification of the family;

(B) Report to the department the youth's participation in the host home program at least once every month when the youth remains in the host home longer than one month; and

(C) Provide case management outside of the host home and away from any individuals residing in the home at least once per month.

(iii) A host home program and host home that meets the other requirements of subsection (2)(o) of this section may provide care for a youth who is receiving services from the department if the youth is:

(A) Not subject to a dependency proceeding under chapter 13.34 RCW; and

(B) Seeking or receiving protected health care services.

(iv) For purposes of this section, ((~~a "host~~))the following definitions apply:

(A) "Host home" ((~~is~~))means a private home that volunteers to host youth in need of temporary placement that is associated with a host home program.

((~~(iii) For purposes of this section, a "host~~))(B) "Host home program" is a program that provides support to individual host

homes and meets the requirements of (o)(i) of this subsection.

((~~(iv)~~))(C) "Compelling reason" means the youth is in the host home or seeking placement in a host home while seeking or receiving protected health care services.

(D) "Protected health care services" means gender affirming treatment as defined in RCW 74.09.675 and reproductive health care services as defined in RCW 74.09.875.

(v) Any host home program that receives local, state, or government funding shall report the following information to the office of homeless youth prevention and protection programs annually by December 1st of each year: The number of children the program served, why the child was placed with a host home, and where the child went after leaving the host home, including but not limited to returning to the parents, running away, reaching the age of majority, or becoming a dependent of the state;

(p) Receiving centers as defined in RCW 7.68.380.

(3) "Department" means the department of children, youth, and families.

(4) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(5) "Performance-based contracts" or "contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts may also include provisions that link the performance of the contractor to the level and timing of the reimbursement.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of the department.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the workforce innovation and opportunity act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs."

Correct the title.

Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Callan; Goodman; Ortiz-Self and Rule.

MINORITY recommendation: Do not pass. Signed by Representatives Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Dent; and Walsh.

Referred to Committee on Rules for second reading

March 24, 2023

SB 5606 Prime Sponsor, Senator Lovick: Deterring illegal racing. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Cheney; Entenman; Goodman; Peterson; Rude; Thai and Walen.

MINORITY recommendation: Without recommendation. Signed by Representatives Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member.

Referred to Committee on Rules for second reading

March 24, 2023

SB 5683 Prime Sponsor, Senator Kauffman: Concerning child-specific foster care licenses for placement of Indian children. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass. Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan; Dent; Goodman; Rule and Walsh.

Referred to Committee on Appropriations

March 24, 2023

ESB 5691 Prime Sponsor, Senator Warnick: Concerning resource and assessment centers. Reported by Committee on Human Services, Youth, & Early Learning

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 74.15.020 and 2021 c 176 s 5239 are each amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 74.13.031 unless the context clearly requires otherwise.

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental

disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers, or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 43.185C.295 through 43.185C.310;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis. "Group care facility" includes but is not limited to:

(i) Qualified residential treatment programs as defined in RCW 13.34.030;

(ii) Facilities specializing in providing prenatal, postpartum, or parenting supports for youth; and

(iii) Facilities providing high quality residential care and supportive services to children who are, or who are at risk of becoming, victims of sex trafficking;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Resource and assessment center" means an agency that provides short-term emergency and crisis care for a period up to ((~~seventy-two hours, excluding Saturdays, Sundays, and holidays~~))three business days, or up to seven business days with department approval to children who have been removed from their parent's or guardian's care by child protective services or law enforcement;

(j) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

(k) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (2), even after the marriage is terminated;

(v) Relatives, as named in (a)(i), (ii), (iii), or (iv) of this subsection (2), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of

eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twenty-four-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States citizenship and immigration services, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and assisted living facilities licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(o)(i) A host home program, and host home, operated by a tax exempt organization for youth not in the care of or receiving services from the department, if that program: (A) Recruits and screens potential homes in the program, including performing background checks on individuals over the age of eighteen residing in the home through the Washington state patrol or equivalent law enforcement agency and performing physical inspections of the home; (B) screens and provides case management services to youth in the program; (C) obtains a notarized permission slip or limited power of attorney from the parent or legal guardian of the youth authorizing the youth to participate in the program and the authorization is updated every six months when a youth remains in a host home longer than six months; (D) obtains insurance for the program through an insurance provider authorized under Title 48 RCW; (E) provides mandatory reporter and confidentiality training; and (F) registers with the secretary of state under RCW 74.15.315.

(ii) For purposes of this section, a "host home" is a private home that volunteers to host youth in need of temporary placement that is associated with a host home program.

(iii) For purposes of this section, a "host home program" is a program that provides support to individual host homes and meets the requirements of (o)(i) of this subsection.

(iv) Any host home program that receives local, state, or government funding shall report the following information to the office of homeless youth prevention and protection programs annually by December 1st of each year: The number of children the program served, why the child was placed with a host home, and where the child went after leaving the host home, including but not limited to returning to the parents, running away, reaching the age of majority, or becoming a dependent of the state;

(p) Receiving centers as defined in RCW 7.68.380.

(3) "Department" means the department of children, youth, and families.

(4) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(5) "Performance-based contracts" or "contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts may also include provisions that link the performance of the contractor to the level and timing of the reimbursement.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of the department.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in

another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the workforce innovation and opportunity act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

**Sec. 2.** RCW 74.15.311 and 2013 c 105 s 3 are each amended to read as follows:

(1) The secretary is authorized to license resource and assessment centers if the agency meets the following requirements:

(a) There is a demonstrated need in the local community for a resource and assessment center; and

(b) The resource and assessment center will be primarily staffed by trained volunteers((~~; and~~

~~(c) The resource and assessment center demonstrates it is not financially dependent on reimbursement from the state to operate~~)).

(2) The department may adopt rules to specify licensing requirements for resource and assessment centers. Rules adopted by the department shall allow:

(a) A sufficient number of trained volunteers to meet staffing requirements;

(b) Flexibility in hours of operation and not require the resource and assessment center to be open if there are no children in its care; and

(c) The ability to operate in a residential area.

(3) Resource and assessment centers licensed under this section may:

(a) Provide care for children ages birth through ((~~twelve, or for children ages thirteen through seventeen who have a sibling or siblings under thirteen years of age who are being admitted to the resource and assessment center~~))17 at the discretion of the resource and assessment center; ((~~and~~))

(b) Operate up to ((~~twenty-four~~))24 hours per day, and for up to seven days per week((~~.~~

~~(4) Resource and assessment centers may not be~~));

(c) Provide care for children for up to three business days, or up to seven business days with department approval;

(d) Be used to ((~~address~~))provide emergency initial care for children as they enter foster care; and

(e) Address placement disruptions for children who have not been removed from a foster home because of the child's behavior or safety concerns."

Correct the title.

Signed by Representatives Senn, Chair; Cortes, Vice Chair; Taylor, Vice Chair; Eslick, Ranking Minority Member; Couture, Assistant Ranking Minority Member; Callan; Dent; Goodman; Rule and Walsh.

Referred to Committee on Rules for second reading

There being no objection, the bills listed on the day's committee reports under the fifth order of business were referred to the committees so designated.

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

## SECOND READING

**SUBSTITUTE SENATE BILL NO. 5617, by Senate Committee on Early Learning & K-12 Education (originally sponsored by Wellman, Nguyen, Hasegawa, Liias, Lovelett, Nobles and Wilson, C.)**

**Concerning career and technical education course equivalencies.**

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Education was adopted. For Committee amendment, see Journal, Day 68, Friday, March 17, 2023.

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 Santos and Maycumber spoke in favor of the passage of the bill.

The Speaker (Representative Bronoske presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5617, as amended by the House.

## ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5617, as amended by the House, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Alvarado, Barkis, Barnard, Bateman, Berg, Bergquist, Berry, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Cheney, Chopp, Christian, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dye, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Hutchins, Jacobsen, Klicker, Kloba, Kretz, Leavitt, Lekanoff, Low, Macri, Maycumber, McClintock, McEntire, Mena, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Reed, Reeves, Riccelli, Robertson, Rude, Rule, Ryu, Sandlin, Santos, Schmick, Schmidt, Senn, Shavers, Simmons, Slatter, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Taylor, Thai, Tharinger, Timmons, Volz, Walen, Walsh, Waters, Wilcox, Wylie, Ybarra and Mme. Speaker

SUBSTITUTE SENATE BILL NO. 5617, as amended by the House, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5123, by Senate Committee on Labor & Commerce (originally sponsored by Keiser, Frame, Hunt, Kuderer, Mullet, Nguyen, Randall, Stanford, Van De Wege and Wellman)**

**Concerning the employment of individuals who lawfully consume cannabis.**

The bill was read the second time.

With the consent of the House, amendment (502) was withdrawn.

Representative Schmidt moved the adoption of amendment (515):

On page 1, line 5, after "chapter" strike "49.44" and insert "49.94"

On page 1, line 19, after "chapter" strike "49.44" and insert "49.94"

Correct the title.

Representatives Schmidt and Berry spoke in favor of the adoption of the amendment.

Amendment (515) was adopted.

Representative Robertson moved the adoption of amendment (503):

On page 2, beginning on line 20, after "applicant" strike "applying for a position that requires" and insert "seeking:
(a) A position requiring"

On page 2, line 22, after "clearance" strike "or" and insert ";
(b) A position with a general authority Washington law enforcement agency as defined in RCW 10.93.020;
(c) A position with a fire department, fire protection district, or regional fire protection service authority;
(d) A position as a first responder not included under (b) or (c) of this subsection, including a dispatcher position with a public or private 911 emergency communications system or a position responsible for the provision of emergency medical services;
(e) A position as a corrections officer with a jail, detention facility, or the department of corrections, including any position directly responsible for the custody, safety, and security of persons confined in those facilities;
(f) A position"

On page 2, beginning on line 22, after "industries" strike ", or any other" and insert "; or
(g) A"

Representatives Robertson and Berry spoke in favor of the adoption of the amendment.

Amendment (503) 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.

Representative Kloba spoke in favor of the passage of the bill.

Representative Schmidt spoke against the passage of the bill.

The Speaker (Representative Bronoske presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5123, as amended by the House.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5123, as amended by the House, and the bill passed the House by the following vote: Yeas, 57; Nays, 41; Absent, 0; Excused, 0

Voting Yea: Representatives Alvarado, Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cortes, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hansen, Kloba, Lekanoff, Low, Macri, Mena, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Reed, Reeves, Riccelli, Robertson, Rude, Rule, Santos, Senn, Shavers, Simmons, Slatter, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Timmons, Walsh, Wylie and Mme. Speaker

Voting Nay: Representatives Abbarno, Barkis, Barnard, Caldier, Chambers, Chandler, Cheney, Christian, Connors, Corry, Couture, Davis, Dent, Dye, Eslick, Goehner, Graham, Griffey, Harris, Hutchins, Jacobsen, Klicker, Kretz, Leavitt, Maycumber, McClintock, McEntire, Mosbrucker, Orcutt, Paul, Ryu, Sandlin, Schmick, Schmidt, Steele, Stokesbary, Volz, Walen, Waters, Wilcox and Ybarra

ENGROSSED SUBSTITUTE SENATE BILL NO. 5123, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

**SIGNED BY THE SPEAKER**

The Speaker signed the following bills:

SENATE BILL NO. 5023
SUBSTITUTE SENATE BILL NO. 5028
SENATE BILL NO. 5041
SENATE BILL NO. 5089
ENGROSSED SUBSTITUTE SENATE BILL NO. 5143
ENGROSSED SUBSTITUTE SENATE BILL NO. 5179
SENATE BILL NO. 5192
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5198
SENATE BILL NO. 5295
SENATE BILL NO. 5319
SENATE BILL NO. 5342
SENATE BILL NO. 5370
SENATE BILL NO. 5421
SUBSTITUTE SENATE BILL NO. 5439
SENATE BILL NO. 5553
SUBSTITUTE SENATE BILL NO. 5569
ENGROSSED SENATE BILL NO. 5623
SUBSTITUTE SENATE BILL NO. 5627
ENGROSSED SENATE BILL NO. 5650
SENATE BILL NO. 5700

The Speaker called upon Representative Bronoske to preside.

There being no objection, the House reverted to the fifth order of business.

**FIRST SUPPLEMENTAL REPORT OF STANDING COMMITTEES**

March 28, 2023

HB 1818 Prime Sponsor, Representative Tharinger: Concerning the exclusion of compensating tax when land is sold to a governmental entity intending to manage the land similarly to designated forestland or timberland. Reported by Committee on Finance

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Berg, Chair; Street, Vice Chair; Orcutt, Ranking Minority Member; Jacobsen, Assistant Ranking Minority Member; Barnard; Chopp; Ramel; Santos; Springer; Thai; Walen and Wylie.

Referred to Committee on Rules for second reading

March 28, 2023

ESB 5015 Prime Sponsor, Senator Fortunato: Reestablishing the productivity board. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass. Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; Gregerson; Low and Mena.

Referred to Committee on Appropriations

March 28, 2023

SB 5084 Prime Sponsor, Senator Braun: Creating a separate fund for the purposes of self-insured pensions and assessments. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass. Signed by Representatives Berry, Chair; Fosse, Vice Chair; Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske; Connors; Doglio; Ormsby and Ortiz-Self.

Referred to Committee on Appropriations

March 28, 2023

SB 5088 Prime Sponsor, Senator Keiser: Adding references to contractor registration and licensing laws in workers' compensation, public works, and prevailing wage statutes. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass. Signed by Representatives Berry, Chair; Fosse, Vice Chair; Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske; Connors; Doglio; Ormsby and Ortiz-Self.

Referred to Committee on Rules for second reading

March 27, 2023

ESSB 5102 Prime Sponsor, Early Learning & K-12 Education: Concerning school library information and technology programs. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that students with access to school library information and technology programs staffed by qualified teacher-librarians have improved school and life outcomes, including higher academic achievement, increased graduation rates, and increased preparedness for college or career pathways. Unfortunately, not all students have access to these programs statewide, leading to disparate outcomes. Lack of access to these programs disproportionately impacts low-income families and families of color. Recent findings show that access to high-quality school libraries was one of the most significant factors in closing the literacy gap for students experiencing poverty. Additionally, the legislature finds that the rise of misinformation and disinformation available through the internet necessitates comprehensive instruction by a qualified teacher-librarian in information literacy, digital citizenship, and media literacy for all K-12 students. The value of these programs was apparent during the COVID-19 pandemic. School districts with qualified teacher-librarians and strong school library information and technology programs were better able to support teachers, students, and families during remote learning.

The legislature has shown support for school library information and technology programs through the passage of legislation clearly defining both programs and teacher-librarians. These programs have been acknowledged as critically important to supporting state-mandated learning goals, essential academic learning requirements, and high school graduation requirements through inclusion of both teacher-librarians and library materials as part of basic education in the prototypical school model. Teacher-librarians are seen as critical partners in the education of our students including in the equitable and successful use of educational technology. Despite this continued support from the legislature, data shows large areas of Washington where students do not have access to school library information and technology programs staffed by qualified teacher-librarians.

The legislature intends to provide access to high-quality school library information and technology programs with qualified teacher-librarians for students and staff at all K-12 levels while also recognizing the value of allowing local school boards to decide how to most effectively implement these essential programs for their schools and students.

NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.320 RCW to read as follows:

By September 1, 2024, each school district must adopt or amend:

(1) A policy that acknowledges the requirement for boards of directors to provide every student with access to school library information and technology programs as specified in RCW 28A.320.240; and

(2) Procedures that describe how students can access school library information and technology resources and materials.

**Sec. 3.** RCW 28A.320.240 and 2015 c 27 s 1 are each amended to read as follows:

(1) The purpose of this section is to identify quality criteria for school library information and technology programs that support the student learning goals under RCW 28A.150.210, the ((~~essential academic learning requirements~~))state learning standards under RCW 28A.655.070, and high school graduation requirements adopted under RCW 28A.230.090.

(2)(a) Every board of directors shall provide resources and materials for the operation of a school library information and technology program((~~s as the board deems necessary for the proper education of the district's students or as otherwise required by law or rule of the superintendent of public instruction~~)). Each student shall have access to a school library information and technology program, as determined by the board of directors and consistent with the requirements of this section.

(b) In accordance with (a) of this subsection (2), beginning with the 2023-24 school year, school districts of the first class, as determined in accordance with RCW 28A.300.065, must employ a minimum of one teacher-librarian for every 1,000 enrolled students.

(3) "Teacher-librarian" means a certificated teacher with a library media endorsement under rules adopted by the professional educator standards board.

(4)(a) "School library information and technology program" means a school-based program that is ((~~staffed~~))overseen, except as provided under (b) of this subsection, by a certificated teacher-librarian and provides a broad, flexible array of services, resources, and instruction that support student mastery of the ((~~essential academic learning requirements~~))state learning standards and state standards in all subject areas and the implementation of the district's school improvement plan.

(b) A school district of the second class, as described in RCW 28A.300.065, may staff a school library information and technology program with a noncertificated staff member if the district has made all reasonable efforts to staff the program with a certificated teacher-librarian. In such a circumstance, a school district is authorized and encouraged to partner with a nonprofit or government entity to provide staffing services including, but not limited to, a library or regional library as defined in RCW 27.12.010, or an institution of higher education as defined in RCW 28B.10.016.

(5) The teacher-librarian, through the school library information and technology program, shall collaborate as an instructional partner to help all students meet the content goals in all subject areas, and assist high school students completing high school and beyond plans required for graduation.

(6) The teacher-librarian's duties may include, but are not limited to, collaborating with his or her schools to:

(a) Integrate information and technology into curriculum and instruction, including but not limited to instructing other certificated staff about using and integrating information and technology literacy into instruction through workshops, modeling lessons, and individual peer coaching;

(b) Provide information management instruction to students and staff about how to effectively use emerging learning technologies for school and lifelong learning, as well as in the appropriate use of computers and mobile devices in an educational setting;

(c) Help teachers and students efficiently and effectively access the highest quality information available while using information ethically;

(d) Instruct students in digital citizenship including how to be critical consumers of information and provide guidance about thoughtful and strategic use of online resources; ((~~and~~))

(e) Create a culture of reading in the school community by developing a diverse, student-focused collection of materials that ensures all students can find something of quality to read and by facilitating school-wide reading initiatives along with providing individual support and guidance for students; and

(f) Oversee classified staff, including library technicians, library assistants, and others, to implement the school library information technology program.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.320 RCW to read as follows:

The superintendent of public instruction will provide data, information, best practices, and other assistance to help facilitate school district implementation of this act."

Correct the title.

Signed by Representatives Santos, Chair; Shavers, Vice Chair; Bergquist; Callan; Eslick; Harris; Ortiz-Self; Pollet; Sandlin; Stonier and Timmons.

MINORITY recommendation: Without recommendation. Signed by Representatives Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; McClintock; and Steele.

Referred to Committee on Appropriations

March 28, 2023

2SSB 5103 Prime Sponsor, Ways & Means: Concerning payment to acute care hospitals for difficult to discharge medicaid patients. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 74.09.520 and 2022 c 255 s 4 are each amended to read as follows:

(1) The term "medical assistance" may include the following care and services subject to rules adopted by the authority or department: (a) Inpatient hospital services; (b) outpatient hospital services; (c) other laboratory and X-ray services; (d) nursing

facility services; (e) physicians' services, which shall include prescribed medication and instruction on birth control devices; (f) medical care, or any other type of remedial care as may be established by the secretary or director; (g) home health care services; (h) private duty nursing services; (i) dental services; (j) physical and occupational therapy and related services; (k) prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select; (l) personal care services, as provided in this section; (m) hospice services; (n) other diagnostic, screening, preventive, and rehabilitative services; and (o) like services when furnished to a child by a school district in a manner consistent with the requirements of this chapter. For the purposes of this section, neither the authority nor the department may cut off any prescription medications, oxygen supplies, respiratory services, or other life-sustaining medical services or supplies.

"Medical assistance," notwithstanding any other provision of law, shall not include routine foot care, or dental services delivered by any health care provider, that are not mandated by Title XIX of the social security act unless there is a specific appropriation for these services.

(2) The department shall adopt, amend, or rescind such administrative rules as are necessary to ensure that Title XIX personal care services are provided to eligible persons in conformance with federal regulations.

(a) These administrative rules shall include financial eligibility indexed according to the requirements of the social security act providing for medicaid eligibility.

(b) The rules shall require clients be assessed as having a medical condition requiring assistance with personal care tasks. Plans of care for clients requiring health-related consultation for assessment and service planning may be reviewed by a nurse.

(c) The department shall determine by rule which clients have a health-related assessment or service planning need requiring registered nurse consultation or review. This definition may include clients that meet indicators or protocols for review, consultation, or visit.

(3) The department shall design and implement a means to assess the level of functional disability of persons eligible for personal care services under this section. The personal care services benefit shall be provided to the extent funding is available according to the assessed level of functional disability. Any reductions in services made necessary for funding reasons should be accomplished in a manner that assures that priority for maintaining services is given to persons with the greatest need as determined by the assessment of functional disability.

(4) Effective July 1, 1989, the authority shall offer hospice services in accordance with available funds.

(5) For Title XIX personal care services administered by the department, the department shall contract with area agencies on aging or may contract with a federally recognized Indian tribe under RCW 74.39A.090(3):

(a) To provide case management services to individuals receiving Title XIX personal care services in their own home; and

(b) To reassess and reauthorize Title XIX personal care services or other home and community services as defined in RCW 74.39A.009 in home or in other settings for individuals consistent with the intent of this section:

(i) Who have been initially authorized by the department to receive Title XIX personal care services or other home and community services as defined in RCW 74.39A.009; and

(ii) Who, at the time of reassessment and reauthorization, are receiving such services in their own home.

(6) In the event that an area agency on aging or federally recognized Indian tribe is unwilling to enter into or satisfactorily fulfill a contract or an individual consumer's need for case management services will be met through an alternative delivery system, the department is authorized to:

(a) Obtain the services through competitive bid; and

(b) Provide the services directly until a qualified contractor can be found.

(7) Subject to the availability of amounts appropriated for this specific purpose, the authority may offer medicare part D prescription drug copayment coverage to full benefit dual eligible beneficiaries.

(8) Effective January 1, 2016, the authority shall require universal screening and provider payment for autism and developmental delays as recommended by the bright futures guidelines of the American academy of pediatrics, as they existed on August 27, 2015. This requirement is subject to the availability of funds.

(9) Subject to the availability of amounts appropriated for this specific purpose, effective January 1, 2018, the authority shall require provider payment for annual depression screening for youth ages twelve through eighteen as recommended by the bright futures guidelines of the American academy of pediatrics, as they existed on January 1, 2017. Providers may include, but are not limited to, primary care providers, public health nurses, and other providers in a clinical setting. This requirement is subject to the availability of funds appropriated for this specific purpose.

(10) Subject to the availability of amounts appropriated for this specific purpose, effective January 1, 2018, the authority shall require provider payment for maternal depression screening for mothers of children ages birth to six months. This requirement is subject to the availability of funds appropriated for this specific purpose.

(11) Subject to the availability of amounts appropriated for this specific purpose, the authority shall:

(a) Allow otherwise eligible reimbursement for the following related to mental health assessment and diagnosis of

children from birth through five years of age:

(i) Up to five sessions for purposes of intake and assessment, if necessary;

(ii) Assessments in home or community settings, including reimbursement for provider travel; and

(b) Require providers to use the current version of the DC:0-5 diagnostic classification system for mental health assessment and diagnosis of children from birth through five years of age.

(12)(a) Subject to the availability of amounts appropriated for this specific purpose, the authority shall require or provide payment to the hospital for any day of a hospital stay in which an adult or child patient enrolled in medical assistance, including home and community services or with a medicaid managed care organization, under this chapter:

(i) Does not meet the criteria for acute inpatient level of care as defined by the authority;

(ii) Meets the criteria for discharge, as defined by the authority or department, to any appropriate placement including, but not limited to:

(A) A nursing home licensed under chapter 18.51 RCW;

(B) An assisted living facility licensed under chapter 18.20 RCW;

(C) An adult family home licensed under chapter 70.128 RCW; or

(D) A setting in which residential services are provided or funded by the developmental disabilities administration of the department, including supported living as defined in RCW 71A.10.020; and

(iii) Is not discharged from the hospital because placement in the appropriate location described in (a)(ii) of this subsection is not available.

(b) The authority shall adopt rules identifying which services are included in the payment described in (a) of this subsection and which services may be billed separately, including specific revenue codes or services required on the inpatient claim.

(c) Allowable medically necessary services performed during a stay described in (a) of this subsection shall be billed by and paid to the hospital separately. Such services may include but are not limited to hemodialysis, laboratory charges, and x-rays.

(d) Pharmacy services and pharmaceuticals shall be billed by and paid to the hospital separately.

(e) The requirements of this subsection do not alter requirements for billing or payment for inpatient care.

(f) The authority shall adopt, amend, or rescind such administrative rules as necessary to facilitate calculation and payment of the amounts described in this subsection, including for clients of medicaid managed care organizations.

(g) The authority shall adopt rules requiring medicaid managed care organizations to establish specific and uniform administrative and review processes for payment under this subsection.

(h) For patients meeting the criteria in (a)(ii)(A) of this subsection, hospitals must utilize swing beds or skilled nursing beds to the extent the services are available within their facility and the associated reimbursement methodology prior to the billing under the methodology in (a) of this subsection, if the hospital determines that such swing bed or skilled nursing bed placement is appropriate for the patient's care needs, the patient is appropriate for the existing patient mix, and appropriate staffing is available."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Barnard; Bronoske; Davis; Graham; Harris; Macri; Maycumber; Mosbrucker; Orwall; Simmons; Stonier; Thai and Tharinger.

Referred to Committee on Appropriations

March 28, 2023

SSB 5127 Prime Sponsor, State Government & Elections: Clarifying school districts' ability to redact personal information related to a student. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass. Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Gregerson and Mena.

MINORITY recommendation: Do not pass. Signed by Representatives Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; and Low.

Referred to Committee on Rules for second reading

March 28, 2023

SSB 5156 Prime Sponsor, Labor & Commerce: Expanding the farm internship program. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that encouraging participation in agriculture is valuable. The farm internship program allows students to experience farming practices and get hands-on experience with farming activities. The internship program has existed since 2014 and was piloted in a few select counties. The legislature finds that this program is valuable, should be extended to all counties, and should continue without an expiration date.

**Sec. 2.** RCW 49.12.471 and 2020 c 212 s 1 are each amended to read as follows:

(1) The director shall establish a farm internship ((~~pilot~~)) project for the employment of farm interns on small farms under special certificates at wages, if any, as authorized by the department and subject to such limitations as to time, number, proportion, and length of service as provided in this section and as prescribed by the department. ((~~The pilot project~~

~~consists of the following counties: San Juan, Skagit, King, Whatcom, Kitsap, Pierce, Jefferson, Spokane, Yakima, Chelan, Grant, Island, Snohomish, Kittitas, Lincoln, Thurston, Walla Walla, Clark, Cowlitz, and Lewis.~~))

(2) A small farm may employ no more than three interns at one time under this section. For any small farm located in a county that became eligible to participate in the farm intern project on the effective date of this act, at least one of the interns employed by the farm must be an individual who has direct experience working as a migrant farmworker or whose parent or grandparent has direct experience working as a migrant farmworker.

(3) A small farm must apply for a special certificate on a form made available by the director. The application must set forth: The name of the farm and a description of the farm seeking the certificate; the type of work to be performed by a farm intern; a description of the internship program; the period of time for which the certificate is sought and the duration of an internship; the number of farm interns for which a special certificate is sought; the wages, if any, that will be paid to the farm intern; any room and board, stipends, and other remuneration the farm will provide to a farm intern; and the total number of workers employed by the farm.

(4) Upon receipt of an application, the department shall review the application and issue a special certificate to the requesting farm within fifteen days if the department finds that:

(a) The farm qualifies as a small farm;

(b) There have been no serious violations of chapter 49.46 RCW or Title 51 RCW that provide reasonable grounds to believe that the terms of an internship agreement may not be complied with;

(c) The issuance of a certificate will not create unfair competitive labor cost advantages nor have the effect of impairing or depressing wage or working standards established for experienced workers for work of a like or comparable character in the industry or occupation at which the intern is to be employed;

(d) A farm intern will not displace an experienced worker; ((~~and~~))

(e) For a small farm located in a county that became eligible to participate in the farm intern project beginning on the effective date of this act, the farm has included in the application an attestation from at least one farm intern stating that the farm intern is an individual who has direct experience working as a migrant farmworker or whose parent or grandparent has direct experience working as a migrant farmworker; and

(f) The farm demonstrates that the interns will perform work for the farm under an internship program that: (i) Provides a curriculum of learning modules and supervised participation in farm work activities designed to teach farm interns about farming practices and farm enterprises; (ii) is based on the bona fide curriculum of an educational or vocational institution; (iii) encourages the interns to participate in career and technical education or other educational content with courses in agriculture or related programs of study at a community or technical college; and ((~~(iii)~~))(iv) is reasonably designed to provide the intern with vocational knowledge and skills about farming practices and enterprises. In assessing an internship program, the department may consult with relevant college and university departments and extension programs and state and local government agencies involved in the regulation or development of agriculture.

(5) A special certificate issued under this section must specify the terms and conditions under which it is issued, including: The name of the farm; the duration of the special certificate allowing the employment of farm interns and the duration of an internship; the total number of interns authorized under the special certificate; the authorized wage rate, if any; and any room and board, stipends, and other remuneration the farm will provide to the farm intern. A farm intern may be paid at wages specified in the certificate only during the effective period of the certificate and for the duration of the internship.

(6) If the department denies an application for a special certificate, notice of denial must be mailed to the farm. The farm listed on the application may, within fifteen days after notice of such action has been mailed, file with the director a petition for review of the denial, setting forth grounds for seeking such a review. If reasonable grounds exist, the director or the director's authorized representative may grant such a review and, to the extent deemed appropriate, afford all interested persons an opportunity to be heard on such review.

(7) Before employing a farm intern, a farm must submit a statement on a form made available by the director stating that the farm understands: The requirements of the industrial welfare act, this chapter, that apply to farm interns; that the farm must pay workers' compensation premiums in the assigned intern risk class and must pay workers' compensation premiums for nonintern work hours in the applicable risk class; and that if the farm does not comply with subsection (8) of this section, the director may revoke the special certificate.

(8) The director may revoke a special certificate issued under this section if a farm fails to: Comply with the requirements of the industrial welfare act, this chapter, that apply to farm interns; pay workers' compensation premiums in the assigned intern risk class; or pay workers' compensation premiums in the applicable risk class for nonintern work hours.

(9) Before the start of a farm internship, the farm and the intern must sign a written agreement and send a copy of the agreement to the department. The written agreement must, at a minimum:

(a) Describe the internship program offered by the farm, including the skills and objectives the program is designed to teach and the manner in which those skills and objectives will be taught;

(b) Explicitly state that the intern is not entitled to unemployment benefits or minimum wages for work and activities conducted pursuant to the internship program for the duration of the internship;

(c) Describe the responsibilities, expectations, and obligations of the intern and the farm, including the anticipated number of hours of farm activities to be performed by and the anticipated number of hours of curriculum instruction provided to the intern per week;

(d) Describe the activities of the farm and the type of work to be performed by the farm intern; and

(e) ((~~Describes [Describe]~~))Describe any wages, room and board, stipends, and other remuneration the farm will provide to the farm intern.

(10) The department must limit the administrative costs of implementing the internship ((~~pilot~~)) program by relying on farm organizations and other stakeholders to perform outreach and inform the farm community of the program and by limiting employee travel to the investigation of allegations of noncompliance with program requirements.

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

(a) "Farm intern" means an individual who provides services to a small farm under a written agreement and primarily as a means of learning about farming practices and farm enterprises.

(b) "Farm internship program" means an internship program described under subsection (4)(e) of this section.

(c) "Small farm" means a farm:

(i) Organized as a sole proprietorship, partnership, or corporation;

(ii) That reports on the applicant's schedule F of form 1040 or other applicable form filed with the United States internal revenue service annual sales less than ((~~two hundred fifty thousand dollars~~))$265,000; and

(iii) Where all the owners or partners of the farm provide regular labor to and participate in the management of the farm, and own or lease the productive assets of the farm.

(12) The department shall monitor and evaluate the farm internships authorized by this section and report to the appropriate committees of the legislature by December 31, 2024. The report must include, but not be limited to: The number of small farms that applied for and received special certificates; the number of interns employed as farm interns; the nature of the educational activities provided to the farm interns; the wages and other remuneration paid to farm interns; the number of and type of workers' compensation claims for farm interns; the employment of farm interns following farm internships; and other matters relevant to assessing farm internships authorized in this section.

((~~(13) This section expires December 31, 2025.~~))

**Sec. 3.** RCW 49.46.010 and 2020 c 212 s 3 are each amended to read as follows:

As used in this chapter:

(1) "Director" means the director of labor and industries;

(2) "Employ" includes to permit to work;

(3) "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 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, carrier, or delivery person selling or distributing newspapers on the street, to offices, to businesses, or from house to house and any freelance news correspondent or "stringer" who, using his or her own equipment, chooses to submit material for publication for free or a fee when such material is published;

(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) ((~~Until December 31, 2025, any~~))Any farm intern providing his or her services to a small farm which has a special certificate issued under RCW 49.12.471;

(p) An individual who is at least ((~~sixteen~~))16 years old but under twenty-one years old, in his or her capacity as a player for a junior ice hockey team that is a member of a regional, national, or international league and that contracts with an arena owned, operated, or managed by a public facilities district created under chapter 36.100 RCW;

(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) "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;

(6) "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;

(7) "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.

**Sec. 4.** RCW 50.04.152 and 2020 c 212 s 2 are each amended to read as follows:

(1) Except for services subject to RCW 50.44.010, 50.44.020, 50.44.030, or 50.50.010, the term "employment" does not include service performed in agricultural labor by a farm intern providing his or her services under a farm internship program as established in RCW 49.12.471.

(2) For purposes of this section, "agricultural labor" means:

(a) Services performed on a farm, in the employ of any person, in connection with the cultivation of the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife, or in the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment;

(b) Services performed in packing, packaging, grading, storing, or delivering to storage, or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations. The exclusions from the term "employment" provided in this subsection (2)(b) are not applicable with respect to commercial packing houses, commercial storage establishments, commercial canning, commercial freezing, or any other commercial processing or with respect to services performed in connection with the cultivation, raising, harvesting, and processing of oysters or raising and harvesting of mushrooms; or

(c) Direct local sales of any agricultural or horticultural commodity after its delivery to a terminal market for distribution or consumption.

((~~(3) This section expires December 31, 2025.~~))

**Sec. 5.** RCW 51.16.243 and 2020 c 212 s 4 are each amended to read as follows:

(1) The department shall adopt rules to provide special workers' compensation risk class or classes for farm interns providing agricultural labor pursuant to a farm internship program under RCW 49.12.471. The rules must include any requirements for obtaining a special risk class that must be met by small farms.

((~~(2) This section expires December 31, 2025.~~))

NEW SECTION. **Sec. 6.** 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."

Correct the title.

Signed by Representatives Berry, Chair; Fosse, Vice Chair; Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske; Connors; Doglio; Ormsby and Ortiz-Self.

Referred to Committee on Rules for second reading

March 28, 2023

ESSB 5231 Prime Sponsor, Law & Justice: Concerning the issuance of emergency domestic violence no-contact orders. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 10.99.040 and 2021 c 215 s 122 are each amended to read as follows:

(1) Because of the serious nature of domestic violence, the court in domestic violence actions:

(a) Shall not dismiss any charge or delay disposition because of concurrent dissolution or other civil proceedings;

(b) Shall not require proof that either party is seeking a dissolution of marriage prior to instigation of criminal proceedings;

(c) Shall waive any requirement that the victim's location be disclosed to any person, other than the attorney of a criminal defendant, upon a showing that there is a possibility of further violence: PROVIDED, That the court may order a criminal defense attorney not to disclose to his or her client the victim's location; ((~~and~~))

(d) Shall identify by any reasonable means on docket sheets those criminal actions arising from acts of domestic violence;

(e) Shall not deny issuance of a no-contact order based on the existence of an applicable civil protection order preventing the defendant from contacting the victim; and

(f) When issuing a no-contact order, shall attempt to determine whether there are any other active no-contact orders, protection orders, or restraining orders involving the defendant to assist the court in ensuring that any no-contact order it may impose does not lessen protections imposed by other courts under other such orders.

(2)(a) Because of the likelihood of repeated violence directed at those who have been victims of domestic violence in the past, when any person charged with or arrested for a crime involving domestic violence is released from custody before arraignment or trial on bail or personal recognizance, the court authorizing the release may prohibit that person from having any contact with the victim and others. The jurisdiction authorizing the release shall determine whether that person should be prohibited from having any contact with the victim. ((~~If there is no outstanding restraining or protective order prohibiting that person from having contact with the victim, the~~)) The court authorizing release may issue((~~, by telephone,~~)) a no-contact order ((~~prohibiting~~)) that:

(i) Prohibits the person charged or arrested from ((~~having~~)) making any attempt to contact ((~~with the victim or~~)), including nonphysical contact, the victim or the victim's family or household members, either directly, indirectly, or through a third party;

(ii) Excludes the defendant from a residence shared with the victim, or from a workplace, school, or child care;

(iii) Prohibits the person from knowingly coming within, or knowingly remaining within, a specified distance of a location or vehicle; and

(iv) Includes other related prohibitions to reduce risk of harm.

(b) ((~~In issuing the order, the court shall consider the provisions of~~)) The court shall verify that the requirements of RCW 10.99.030(3) have been satisfied, including that a sworn statement of a peace officer has been submitted to the court, documenting that the responding peace officers separated the parties and asked the victim or victims at the scene about firearms, other dangerous weapons, and ammunition that the defendant owns or has access to, and whether the defendant has a concealed pistol license. If the sworn statement of a peace officer or other information provided to the court indicates there may be a risk of harm if the defendant has access to firearms, dangerous weapons, or an active concealed pistol license, the court shall verify that peace officers have temporarily removed and secured all the firearms, dangerous weapons, and any concealed pistol license. The court shall then determine whether an order to surrender and prohibit weapons or an extreme risk protection order should be issued pursuant to RCW 9.41.800 or chapter 7.105 RCW, ((~~and shall order the defendant to surrender, and prohibit~~)) prohibiting the ((~~person~~)) defendant from possessing, ((~~all~~)) purchasing, receiving, having in the defendant's control or custody, accessing, or attempting to purchase or receive, any firearms, dangerous weapons, and any concealed pistol license and shall order the defendant to surrender, and prohibit the defendant from possessing, any firearms, dangerous weapons, and any concealed pistol license as required in RCW 9.41.800, or shall issue an extreme risk protection order as required by chapter 7.105 RCW. The court may make these determinations on the record or off the record with a written explanation when declining to impose the restrictions authorized in this subsection.

((~~(c) The no-contact order shall also be issued in writing as soon as possible, and shall state that it may be extended as provided in subsection (3) of this section. By January 1, 2011, the administrative office of the courts shall develop a pattern form for all no-contact orders issued under this chapter. A no-contact order issued under this chapter must substantially comply with the pattern form developed by the administrative office of the courts.~~))

(3)(a) At the time of arraignment, the court shall review the defendant's firearms purchase history provided by the prosecutor pursuant to RCW 10.99.045, and any other firearms information provided by law enforcement or court or jail staff, and shall determine whether a no-contact order, an order to surrender and prohibit weapons, or an extreme risk protection order shall be issued or, if previously issued, extended.

(b) So long as the court finds probable cause, the court may issue or extend a no-contact order, an order to surrender and prohibit weapons, or an extreme risk protection order, even if the defendant fails to appear at arraignment. The no-contact order shall terminate if the defendant is acquitted or the charges are dismissed. To the extent the court is aware, the court shall advise the defendant of the

ongoing requirements of any other no-contact, restraining, or protection order that remains in effect.

((~~(b) In issuing the order, the court shall consider all information documented in the incident report concerning the person's possession of and access to firearms and whether law enforcement took temporary custody of firearms at the time of the arrest. The court may as a condition of release prohibit the defendant from possessing or accessing firearms and order the defendant to immediately surrender all firearms and any concealed pistol license to a law enforcement agency upon release.~~))

(c) If a no-contact order is issued or extended, the court may also include in the conditions of release a requirement that the defendant submit to electronic monitoring as defined in RCW 9.94A.030. If electronic monitoring is ordered, the court shall specify who shall provide the monitoring services, and the terms under which the monitoring shall be performed. Upon conviction, the court may require as a condition of the sentence that the defendant reimburse the providing agency for the costs of the electronic monitoring.

(4)(a) Willful violation of a court order issued under ((~~subsection (2), (3), or (7) of~~)) this section is punishable as provided under RCW 7.105.450 or 7.105.460, or chapter 9.41 RCW.

(b) The written order releasing the person charged or arrested shall contain the court's directives and shall bear the legend: "Violation of this order is a criminal offense under chapter 7.105 RCW and will subject a violator to arrest; any assault, drive-by shooting, or reckless endangerment that is a violation of this order is a felony. You can be arrested even if any person protected by the order invites or allows you to violate the order's prohibitions. You have the sole responsibility to avoid or refrain from violating the order's provisions. Only the court can change the order."

(c) A certified copy of the order shall be provided to the victim.

(5)(a) A peace officer may request, on an ex parte basis and before criminal charges or a petition for a protection order or an extreme risk protection order have been filed, an emergency no-contact order, order to surrender and prohibit weapons, or extreme risk protection order from a judicial officer on behalf of and with the consent of the victim of an alleged act involving domestic violence if the victim is able to provide such consent. If the victim is incapacitated as a result of the alleged act of domestic violence, a peace officer may request an emergency no-contact order, order to surrender and prohibit weapons, or extreme risk protection order on his or her behalf. The request shall be made based upon the sworn statement of a peace officer and may be made in person, by telephone, or by electronic means. If the court finds probable cause to believe that the victim is in imminent danger of domestic violence based on an allegation of the recent commission of an act involving domestic violence, the court shall issue an emergency no-contact order and an order to surrender and prohibit weapons or an extreme risk protection order as required by RCW 9.41.800 or chapter 7.105 RCW. An emergency no-contact order issued by a court will remain in effect until either the court terminates the emergency no-contact order, the court finds probable cause for a referred crime, or an ex parte hearing is held on a petition for a protection order or extreme risk protection order.

(b) If the court issues an order to surrender and prohibit weapons or an extreme risk protection order, and has not verified that peace officers have temporarily removed and secured all firearms and dangerous weapons, and any concealed pistol license, all orders issued by the court must be personally served by a peace officer and the peace officer shall take possession of all firearms, dangerous weapons, and any concealed pistol license belonging to the respondent that are surrendered, in plain sight, or discovered pursuant to a lawful search, as required by RCW 9.41.801.

(c) If the court does not issue an order to surrender and prohibit weapons or an extreme risk protection order, or has verified that all firearms, dangerous weapons, and any concealed pistol license have been temporarily removed by law enforcement, service of the court's orders may be effected electronically. Electronic service must be effected by a law enforcement agency transmitting copies of the petition and any supporting materials filed with the petition, any notice of hearing, and any orders, or relevant materials for motions, to the defendant at the defendant's electronic address or the defendant's electronic account associated with email, text messaging, social media applications, or other technologies. Verification of notice is required and may be accomplished through read-receipt mechanisms, a response, a sworn statement from the person who effected service verifying transmission and any follow-up communications such as email or telephone contact used to further verify, or an appearance by the defendant at a hearing. Sworn proof of service must be filed with the court by the person who effected service.

(d) A no-contact order, order to surrender and prohibit weapons, or extreme risk protection order authorized by telephonic or electronic means shall also be issued in writing as soon as possible and shall state that it may be extended as provided in subsection (3) of this section.

(6) If a no-contact order has been issued prior to charging, that order shall expire at arraignment or within seventy-two hours if charges are not filed.

((~~(6)~~)) (7) Whenever ((~~a no-contact~~)) an order is issued, modified, or terminated under ((~~subsection (2) or (3) of~~)) this section, the clerk of the court shall forward a copy of the order on or before the next judicial day to the appropriate law enforcement agency specified in the order. Upon receipt of the copy of the order the law enforcement agency shall enter the order for one year or until the expiration date specified on the order into any computer-based criminal intelligence information

system available in this state used by law enforcement agencies to list outstanding warrants. Entry into the computer-based criminal intelligence information system constitutes notice to all law enforcement agencies of the existence of the order. The order is fully enforceable in any jurisdiction in the state. Upon receipt of notice that an order has been terminated under subsection (3) of this section, the law enforcement agency shall remove the order from the computer-based criminal intelligence information system.

((~~(7) All courts shall develop policies and procedures by January 1, 2011, to grant victims a process to modify or rescind a no-contact order issued under this chapter. The administrative office of the courts shall develop a model policy to assist the courts in implementing the requirements of this subsection.~~))

(8) For the purposes of this section, and unless context clearly requires otherwise, "emergency no-contact order" means a no-contact order issued by a court of competent jurisdiction before criminal charges have been filed or before a petition for a protection order or extreme risk protection order has been filed.

NEW SECTION. **Sec. 2.** 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."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Entenman; Goodman; Peterson; Thai and Walen.

MINORITY recommendation: Do not pass. Signed by Representatives Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member; and Rude.

MINORITY recommendation: Without recommendation. Signed by Representative Cheney.

Referred to Committee on Rules for second reading

March 27, 2023

SSB 5235 Prime Sponsor, Local Government, Land Use & Tribal Affairs: Concerning accessory dwelling units. Reported by Committee on Housing

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that there is a shortage of affordable housing units available for home ownership or long-term rental within most urban growth areas of the state. This lack of affordable housing forces many residents to spend more than 30 percent of their household income on housing, greatly increasing housing insecurity and contributing to the state's crisis of unacceptable numbers of persons experiencing homelessness. Increasing the availability of accessory dwelling units, also referred to as "ADUs," may increase opportunities for people to age in their own home and increase multigenerational family ties along with offering opportunities to reduce intergenerational poverty by increasing home ownership. The legislature finds that accessory dwelling units can be one way to add affordable long-term housing and to provide a needed increase in housing density within urban growth areas with benefits to reducing fossil fuel use and other contributions to climate change due to housing and transportation patterns. The legislature seeks to encourage accessory dwelling unit availability as a modest housing option by streamlining local government regulations that may unintentionally make accessory dwelling units less economical. Since residents in a region may be choosing between cities, it is important to acknowledge that one city cannot build affordability on its own. An expansion in supply of affordable housing in a small city, but not neighboring cities, may satisfy some of the demand for affordable housing, but without a regional strategy, small cities will not be able to build affordability on their own. Statewide action is needed. Furthermore, the legislature finds that research from several cities shows that when accessory dwelling units are built or that are converted and offered for short-term rental for tourists and business visitors, they may not improve housing affordability. Therefore, it is the intent of the legislature to meet these important policy goals by increasing the availability of accessory dwelling units as modest housing options, limiting the restrictions that can be imposed on the development and use of accessory dwelling units within urban growth areas, and authorizing local governments to adopt programs to incentivize or reduce local government-imposed cost or time related obstacles to the development of accessory dwelling units when the accessory dwelling units will be utilized for long-term housing.

**Sec. 2.** RCW 36.70A.070 and 2022 c 246 s 2 and 2022 c 220 s 1 are each reenacted and amended to read as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land

use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and stormwater runoff in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

(2) A housing element ensuring the vitality and character of established residential neighborhoods that:

(a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including:

(i) Units for moderate, low, very low, and extremely low-income households; and

(ii) Emergency housing, emergency shelters, and permanent supportive housing;

(b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;

(c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;

(d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:

(i) Incorporating consideration for low, very low, extremely low, and moderate-income households;

(ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;

(iii) Consideration of housing locations in relation to employment location; and

(iv) Consideration ((~~of the role~~))and utilization of accessory dwelling units in meeting housing needs in compliance with RCW 36.70A.698;

(e) Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:

(i) Zoning that may have a discriminatory effect;

(ii) Disinvestment; and

(iii) Infrastructure availability;

(f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;

(g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and

(h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

In counties and cities subject to the review and evaluation requirements of RCW 36.70A.215, any revision to the housing element shall include consideration of prior review and evaluation reports and any reasonable measures identified. The housing element should link jurisdictional goals with overall county goals to ensure that the housing element goals are met.

The adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city that is required or chooses to plan under RCW 36.70A.040 that increase housing capacity, increase housing affordability, and mitigate displacement as required under this subsection (2) and that apply outside of critical areas are not subject to administrative or judicial appeal under chapter 43.21C RCW unless the adoption of such ordinances, development regulations and amendments to such regulations, or other nonproject actions has a probable significant adverse impact on fish habitat.

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

(4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities((~~,~~)) including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

(5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:

(a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.

(b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.

(c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:

(i) Containing or otherwise controlling rural development;

(ii) Assuring visual compatibility of rural development with the surrounding rural area;

(iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;

(iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and

(v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

(d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

(i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

(A) A commercial, industrial, residential, shoreline, or mixed-use area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.

(B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.

(C) Any development or redevelopment in terms of building size, scale, use, or intensity may be permitted subject to confirmation from all existing providers of public facilities and public services of sufficient capacity of existing public facilities and public services to serve any new or additional demand from the new development or redevelopment. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5) and is consistent with the local character. Any commercial development or redevelopment within a mixed-use area must be principally designed to serve the existing and projected rural population and must meet the following requirements:

(I) Any included retail or food service space must not exceed the footprint of previously occupied space or 5,000 square feet, whichever is greater, for the same or similar use; and

(II) Any included retail or food service space must not exceed 2,500 square feet for a new use;

(ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;

(iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

(iv) A county shall adopt measures to minimize and contain the existing areas of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas shall not extend beyond the logical outer boundary of the existing area, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where

there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

(v) For purposes of this subsection (5)(d), an existing area or existing use is one that was in existence:

(A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;

(B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or

(C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

(e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.

(6) A transportation element that implements, and is consistent with, the land use element.

(a) The transportation element shall include the following subelements:

(i) Land use assumptions used in estimating travel;

(ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;

(iii) Facilities and services needs, including:

(A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;

(B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;

(C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the office of financial management's ((~~ten-year~~))10-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

(D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;

(E) Forecasts of traffic for at least ((~~ten~~))10 years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;

(F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;

(iv) Finance, including:

(A) An analysis of funding capability to judge needs against probable funding resources;

(B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ((~~ten-year~~))10-year investment program developed by the office of financial management as required by RCW 47.05.030;

(C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;

(v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;

(vi) Demand-management strategies;

(vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.

(b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level

of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include increased public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city.

(c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ((~~ten-year~~))10-year investment program required by RCW 47.05.030 for the state, must be consistent.

(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

(8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ((~~ten-year~~))10-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

(9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

**Sec. 3.** RCW 36.70A.696 and 2021 c 306 s 2 are each amended to read as follows:

The definitions in this section apply throughout RCW 36.70A.697 and 36.70A.698 unless the context clearly requires otherwise.

(1) "Accessory dwelling unit" means a dwelling unit located on the same lot as a single-family housing unit, duplex, triplex, townhome, or other housing unit.

(2) "Attached accessory dwelling unit" means an accessory dwelling unit located within or attached to a single-family housing unit, duplex, triplex, townhome, or other housing unit. An attached accessory dwelling unit must have a substantial portion of its footprint within the other housing unit, and must share structural elements with the other unit.

(3) "City" means any city, code city, and town located in a county planning under RCW 36.70A.040.

(4) "County" means any county planning under RCW 36.70A.040.

(5) "Detached accessory dwelling unit" means an accessory dwelling unit that consists partly or entirely of a building that is separate and detached from a single-family housing unit, duplex, triplex, townhome, or other housing unit and is on the same property.

(6) "Dwelling unit" means a residential living unit that provides complete independent living facilities for one or more persons and that includes permanent provisions for living, sleeping, eating, cooking, and sanitation.

(7) "Major transit stop" means:

(a) A stop on a high capacity transportation system funded or expanded under the provisions of chapter 81.104 RCW;

(b) Commuter rail stops;

(c) Stops on rail or fixed guideway systems, including transitways;

(d) Stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes; or

(e) Stops for a bus or other transit mode providing actual fixed route service at intervals of ((~~at least fifteen~~))no greater than 15 minutes for at least five hours during the peak hours of operation on weekdays.

(8) ((~~"Owner" means any person who has at least 50 percent ownership in a property on which an accessory dwelling unit is located.~~

~~(9)~~)) "Short-term rental" means a lodging use, that is not a hotel or motel or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than 30 consecutive nights.

**Sec. 4.** RCW 36.70A.697 and 2020 c 217 s 3 are each amended to read as follows:

(1) Cities and counties must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of RCW 36.70A.698 to take effect by the time of the city's or county's next comprehensive plan update after July 1, 2021.

(2) Beginning ((~~July 1, 2021~~))after the deadline in subsection (1) of this section, the requirements of RCW 36.70A.698:

(a) Apply and take effect in any city or county that has not adopted or amended ordinances, regulations, or other official controls as required under this section; and

(b) Supersede, preempt, and invalidate any local development regulations that conflict with RCW 36.70A.698.

**Sec. 5.** RCW 36.70A.698 and 2020 c 217 s 4 are each amended to read as follows:

(1) ((~~Except as provided in subsection[s] (2) and (3) of this section, through ordinances, development regulations, zoning regulations, and other official controls as required under RCW 36.70A.697, cities~~))Cities and counties may not ((~~require~~))prohibit the construction of accessory dwelling units on residentially zoned lots within urban growth areas.

(2) When regulating accessory dwelling units, cities and counties may not:

(a) Impose a limit on accessory dwelling units of fewer than one attached and one detached accessory dwelling unit on a lot zoned for residential use with a total square footage of more than 4,500 square feet, unless the lot is otherwise zoned to allow:

(i) At least two dwelling units, in which case at least one additional attached or detached accessory dwelling unit must be allowed;

(ii) At least three dwelling units;

(b) Impose a limit on accessory dwelling units of fewer than one attached or one detached accessory dwelling unit on a lot zoned for residential use with a total square footage of less than 4,500 square feet, unless the lot is otherwise zoned to allow at least two dwelling units;

(c) Impose any prohibition of the sale or other conveyance of a condominium unit independently of a principal unit that is based solely on the grounds that the condominium unit was originally built as an accessory dwelling unit, provided that the condominium unit is served by utilities that are independent of the principal unit;

(d) Impose any owner occupancy requirements on any housing or dwelling unit on a lot containing an accessory dwelling unit. A city or county may retain an owner occupancy requirement if:

(i) An accessory dwelling unit on the lot is offered or used for short-term rental as defined in RCW 36.70A.696; or

(ii) The city or county administers a general program, begun prior to December 31, 2022, offering the waiver or reduction of impact fees and costs associated with accessory dwelling unit construction, if the units are offered at or below 80 percent of the area median income;

(e) Require the provision of off-street parking for accessory dwelling units within one-quarter mile of a major transit stop, except that a city or county may require the provision of off-street parking for such an accessory dwelling unit if the city or county makes a determination, supported by evidence, that the accessory dwelling unit is in an area that would make on-street parking infeasible or unsafe for the accessory dwelling unit; or

(f) Apply other development regulations to the construction of accessory dwelling units that are more restrictive than regulations on single-family or other residential developments.

((~~(2) A city may require the provision of off-street parking for an accessory dwelling unit located within one-quarter mile of a major transit stop if the city has determined that the accessory dwelling unit is in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the accessory dwelling unit.~~

~~(3) A city that has adopted or substantively amended accessory dwelling unit regulations within the four years previous to June 11, 2020, is not subject to the requirements of this section.~~))

(3) Regulations that may be applied to accessory dwelling units by cities and counties include:

(a) Generally applicable development regulations;

(b) Public health, safety, building code, and environmental permitting requirements, including regulations to protect ground and surface waters from on-site wastewater, that would be applicable to a principal unit;

(c) A prohibition on the construction of accessory dwelling units on lots that are not connected to or served by public sewers;

(d) A prohibition or restriction on the construction of accessory dwelling units in residential zones with a density of one dwelling unit per acre or less that are within areas designated as wetlands, fish and wildlife habitats, floodplains, or geologically hazardous areas.

(4) This section and section 4 of this act apply only within urban growth areas required by this chapter.

NEW SECTION. **Sec. 6.** A new section is added to chapter 36.70A RCW to read as follows:

To encourage the use of accessory dwelling units for long-term housing, cities and counties may adopt ordinances, development regulations, and other official controls which waive or defer fees, including impact fees; defer the payment of taxes; or waive specific regulations. Cities and counties may only offer such reduced or deferred fees, deferred taxes, waivers, or other incentives for the development or construction of accessory dwelling units if such units are subject to effective binding commitments or covenants that the units will not be regularly offered for short-term rental.

NEW SECTION. **Sec. 7.** A new section is added to chapter 64.32 RCW to read as follows:

(1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.

(2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive

covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section.

NEW SECTION. **Sec. 8.** A new section is added to chapter 64.34 RCW to read as follows:

(1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.

(2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section.

NEW SECTION. **Sec. 9.** A new section is added to chapter 64.38 RCW to read as follows:

(1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.

(2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section.

NEW SECTION. **Sec. 10.** A new section is added to chapter 64.90 RCW to read as follows:

(1) Except for restrictive covenants or deed restrictions created to protect public health and safety or to protect ground and surface waters from on-site wastewater, no restrictive covenant or deed restriction created after the effective date of this section and applicable to a property located within an urban growth area may impose any restriction or prohibition on the construction, development, or use on a lot of an accessory dwelling unit that the city or county in which the urban growth area is located would be prohibited from imposing under RCW 36.70A.698.

(2) A city or county issuing a permit for the construction of an accessory dwelling unit may not be held civilly liable on the basis that the construction of the accessory dwelling unit would violate a restrictive covenant or deed restriction that was created after the effective date of this section and that is contrary to subsection (1) of this section."

Correct the title.

Signed by Representatives Peterson, Chair; Alvarado, Vice Chair; Leavitt, Vice Chair; Klicker, Ranking Minority Member; Barkis; Bateman; Chopp; Entenman; Low; Reed and Taylor.

MINORITY recommendation: Without recommendation. Signed by Representatives Connors, Assistant Ranking Minority Member; and Hutchins.

Referred to Committee on Rules for second reading

March 27, 2023

E2SSB 5243 Prime Sponsor, Ways & Means: Concerning high school and beyond planning. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature recognizes that the high school and beyond plan is both a graduation requirement and a critical component in our education system. However, the practices and technologies that school districts employ for facilitating high school and beyond plans vary significantly. These variances can create inequities for students and families, and do not reflect the legislature's vision for the role of the high school and beyond plan in promoting student success in secondary and postsecondary endeavors.

(2) A universal online high school and beyond plan platform that can be readily accessed by students, parents, teachers, and others who support academic progress will alleviate equity issues and create new opportunities for students to develop and curate plans that align with their needs and interests. With the assistance of a flexible, portable, and expandable platform, all students with high school and beyond plans will be able to easily personalize and revise their plans, explore education options of relevance and interest, and receive supports that will help them make informed choices about their education and career objectives.

(3) The legislature, therefore, intends to revise and strengthen high school and beyond plan requirements and to direct the office of the superintendent of public instruction to facilitate the transition to a universal online high school and beyond plan platform to guide students' secondary education experiences and ensure preparation for their postsecondary goals.

**Sec. 2.** RCW 28A.230.090 and 2021 c 307 s 2 are each amended to read as follows:

(1) The state board of education shall establish high school graduation requirements or equivalencies for students, except as provided in RCW 28A.230.122 and 28A.655.250 and except those equivalencies established by local high schools or school districts under RCW 28A.230.097. The purpose of a high school diploma is to declare that a student is ready for success in postsecondary education, gainful employment, and citizenship, and is equipped with the skills to be a lifelong learner.

(a) Any course in Washington state history and government used to fulfill high school graduation requirements shall consider including information on the culture, history, and government of the American Indian peoples who were the first inhabitants of the state.

(b) Except as provided otherwise in this subsection, the certificate of academic achievement requirements under RCW 28A.655.061 or the certificate of individual achievement requirements under RCW 28A.155.045 are required for graduation from a public high school but are not the only requirements for graduation. The requirement to earn a certificate of academic achievement to qualify for graduation from a public high school concludes with the graduating class of 2019. The obligation of qualifying students to earn a certificate of individual achievement as a prerequisite for graduation from a public high school concludes with the graduating class of 2021.

(c)((~~(i)~~)) Each student must have a high school and beyond plan to guide the student's high school experience and inform course taking that is aligned with the student's goals for education or training and career after high school((~~.~~

~~(ii)(A) A high school and beyond plan must be initiated for each student during the seventh or eighth grade. In preparation for initiating that plan, each student must first be administered a career interest and skills inventory.~~

~~(B) For students with an individualized education program, the high school and beyond plan must be developed in alignment with their individualized education program. The high school and beyond plan must be developed in a similar manner and with similar school personnel as for all other students.~~

~~(iii)(A) The high school and beyond plan must be updated to reflect high school assessment results in RCW 28A.655.070(3)(b) and to review transcripts, assess progress toward identified goals, and revised as necessary for changing interests, goals, and needs. The plan must identify available interventions and academic support, courses, or both, that are designed for students who are not on track to graduate, to enable them to fulfill high school graduation requirements. Each student's high school and beyond plan must be updated to inform junior year course taking.~~

~~(B) For students with an individualized education program, the high school and beyond plan must be updated in alignment with their school to postschool transition plan. The high school and beyond plan must be updated in a similar manner and with similar school personnel as for all other students.~~

~~(iv) School districts are encouraged to involve parents and guardians in the process of developing and updating the high school and beyond plan, and the plan must be provided to the students' parents or guardians in their native language if that language is one of the two most frequently spoken non-English languages of students in the district. Nothing in this subsection (1)(c)(iv) prevents districts from providing high school and beyond plans to parents and guardians in additional languages that are not required by this subsection.~~

~~(v) All high school and beyond plans must, at a minimum, include the following elements:~~

~~(A) Identification of career goals, aided by a skills and interest assessment;~~

~~(B) Identification of educational goals;~~

~~(C) Identification of dual credit programs and the opportunities they create for students, including eligibility for automatic enrollment in advanced classes under RCW 28A.320.195, career and technical education programs, running start programs, AP courses, international baccalaureate programs, and college in the high school programs;~~

~~(D) Information about the college bound scholarship program established in chapter 28B.118 RCW;~~

~~(E) A four-year plan for course taking that:~~

~~(I) Includes information about options for satisfying state and local graduation requirements;~~

~~(II) Satisfies state and local graduation requirements;~~

~~(III) Aligns with the student's secondary and postsecondary goals, which can include education, training, and career;~~

~~(IV) Identifies course sequences to inform academic acceleration, as described in RCW 28A.320.195 that include dual credit courses or programs and are aligned with the student's goals; and~~

~~(V) Includes information about the college bound scholarship program, the Washington college grant, and other scholarship opportunities;~~

~~(F) Evidence that the student has received the following information on federal and state financial aid programs that help pay for the costs of a postsecondary program:~~

~~(I) Information about the documentation necessary for completing the applications; application timeliness and submission deadlines; the importance of submitting applications early; information specific to students who are or have been in foster care; information specific to students who are, or are at risk of being, homeless; information specific to students whose family member or guardians will be required to provide financial and tax information necessary to complete applications; and~~

~~(II) Opportunities to participate in sessions that assist students and, when necessary, their family members or guardians, fill out financial aid applications; and~~

~~(G) By the end of the twelfth grade, a current resume or activity log that provides a written compilation of the student's education, any work experience, and any community service and how the school district has recognized the community service pursuant to RCW 28A.320.193.~~

~~(d)~~))as provided for under section 3 of this act and RCW 28A.230.215. Any decision on whether a student has met the state board's high school graduation requirements for a high school and beyond plan shall remain at the local level. Effective with the graduating class of 2015, the state board of education may not establish a requirement for students to complete a culminating project for graduation. A district may establish additional, local requirements for a high school and beyond plan to serve the needs and interests of its students and the purposes of this section.

((~~(c)~~))(d)(i) The state board of education shall adopt rules to implement the career and college ready graduation requirement proposal adopted under board resolution on November 10, 2010, and revised on January 9, 2014, to take effect beginning with the graduating class of 2019 or as otherwise provided in this subsection (1)((~~(c)~~))(d). The rules must include authorization for a school district to waive up to two credits for individual students based on a student's circumstances, provided that none of the waived credits are identified as mandatory core credits by the state board of education. School districts must adhere to written policies authorizing the waivers that must be adopted by each board of directors of a school district that grants diplomas. The rules must also provide that the content of the third credit of mathematics and the content of the third credit of science may be chosen by the student based on the student's interests and high school and beyond plan with agreement of the student's parent or guardian or agreement of the school counselor or principal, or as provided in RCW 28A.230.300(4).

(ii) School districts may apply to the state board of education for a waiver to implement the career and college ready graduation requirement proposal beginning with the graduating class of 2020 or 2021 instead of the graduating class of 2019. In the application, a school district must describe why the waiver is being requested, the specific impediments preventing timely implementation, and efforts that will be taken to achieve implementation with the graduating class proposed under the waiver. The state board of education shall grant a waiver under this subsection (1)((~~(c)~~))(d) to an applying school district at the next subsequent meeting of the board after receiving an application.

((~~(iii) A school district must update the high school and beyond plans for each student who has not earned a score of level 3 or level 4 on the middle school mathematics assessment identified in RCW 28A.655.070 by ninth grade, to ensure that the student takes a mathematics course in both ninth and tenth grades. This course may include career and technical education equivalencies in mathematics adopted pursuant to RCW 28A.230.097.~~))

(2)(a) In recognition of the statutory authority of the state board of education to establish and enforce minimum high school graduation requirements, the state board shall periodically reevaluate the graduation requirements and shall report such findings to the legislature in a timely manner as determined by the state board.

(b) The state board shall reevaluate the graduation requirements for students enrolled in vocationally intensive and rigorous career and technical education programs, particularly those programs that lead to a certificate or credential that is state or nationally recognized. The purpose of the evaluation is to ensure that students enrolled in these programs have sufficient opportunity to ((~~earn a certificate of academic achievement,~~)) complete the program and earn the program's certificate or credential, and complete other state and local graduation requirements.

(c) The state board shall forward any proposed changes to the high school graduation requirements to the education committees of the legislature for review. The legislature shall have the opportunity to act during a regular legislative session before the changes are adopted through administrative rule by the state board. Changes that have a fiscal impact on school districts, as identified by a fiscal analysis prepared by the office of the superintendent of public instruction, shall take effect only if formally authorized and funded by the legislature through the omnibus appropriations act or other enacted legislation.

(3) Pursuant to any requirement for instruction in languages other than English established by the state board of education or a local school district, or both, for purposes of high school graduation, students who receive instruction in American sign language or one or more American Indian languages shall be considered to have satisfied the state or local school district graduation requirement for instruction in one or more languages other than English.

(4) Unless requested otherwise by the student and the student's family, a student who has completed high school courses before attending high school shall be given high school credit which shall be applied to fulfilling high school graduation requirements if:

(a) The course was taken with high school students, if the academic level of the course exceeds the requirements for seventh and eighth grade classes, and the student has successfully passed by completing the same course requirements and examinations as the high school students enrolled in the class; or

(b) The academic level of the course exceeds the requirements for seventh and eighth grade classes and the course would qualify for high school credit, because the course is similar or equivalent to a course offered at a high school in the district as determined by the school district board of directors.

(5) Students who have taken and successfully completed high school courses

under the circumstances in subsection (4) of this section shall not be required to take an additional competency examination or perform any other additional assignment to receive credit.

(6) At the college or university level, five quarter or three semester hours equals one high school credit.

NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.230 RCW to read as follows:

(1) This section establishes the school district, content, and other substantive requirements for the high school and beyond plan required by RCW 28A.230.090.

(2)(a) Beginning by the seventh grade, each student must be administered a career interest and skills inventory which is intended to be used to inform eighth grade course taking and development of an initial high school and beyond plan. No later than eighth grade, each student must have begun development of a high school and beyond plan that includes a proposed plan for first-year high school courses aligned with graduation requirements and secondary and postsecondary goals.

(b) For each student who has not earned a score of level 3 or 4 on the middle school mathematics assessment identified in RCW 28A.655.070 by ninth grade, the high school and beyond plan must be updated to ensure that the student takes a mathematics course in both ninth and 10th grades. These courses may include career and technical education equivalencies in mathematics adopted pursuant to RCW 28A.230.097.

(3) With staff support, students must update their high school and beyond plan annually, at a minimum, to review academic progress and inform future course taking.

(a) The high school and beyond plan must be updated in 10th grade to reflect high school assessment results in RCW 28A.655.061, ensure student access to advanced course options per the district's academic acceleration policy in RCW 28A.320.195, assess progress toward identified goals, and revised as necessary for changing interests, goals, and needs.

(b) Each school district shall provide students who have not met the standard on state assessments or who are behind in completion of credits or graduation pathway options with the opportunity to access interventions and academic supports, courses, or both, designed to enable students to meet all high school graduation requirements. The parents or legal guardians shall be notified about these opportunities as included in the student's high school and beyond plan, preferably through a student-led conference, including the parents or legal guardians, and at least annually until the student is on track to graduate.

(c) For students with an individualized education program, the high school and beyond plan must be developed and updated in alignment with their school to postschool transition plan. The high school and beyond plan must be developed and updated in a similar manner and with similar school personnel as for all other students.

(4) School districts shall involve parents and legal guardians to the greatest extent feasible in the process of developing and updating the high school and beyond plan.

(a) The plan must be provided to the student and the students' parents or legal guardians in a language the student and parents or legal guardians understand and in accordance with the school district's language access policy and procedures as required under chapter 28A.183 RCW, which may require language assistance for students and parents or legal guardians with limited English proficiency.

(b) School districts must annually provide students in grades eight through 12 and their parents or legal guardians with comprehensive information about the graduation pathway options offered by the district and are strongly encouraged to begin providing this information beginning in sixth grade. School districts must provide this information in a manner that conforms with the school district's language access policy and procedures as required under chapter 28A.183 RCW.

(5) School districts are strongly encouraged to partner with student serving, community-based organizations that support career and college exploration and preparation for postsecondary and career pathways. Partnerships may include high school and beyond plan coordination and planning, data sharing agreements, and safe and secure access to individual student's high school and beyond plans.

(6) All high school and beyond plans must, at a minimum, include the following elements:

(a) Identification of career goals and interests, aided by a skills and interest assessment;

(b) Identification of secondary and postsecondary education and training goals;

(c) An academic plan for course taking that:

(i) Informs students about course options for satisfying state and local graduation requirements;

(ii) Satisfies state and local graduation requirements;

(iii) Aligns with the student's secondary and postsecondary goals, which can include education, training, and career preparation;

(iv) Identifies available advanced course sequences per the school district's academic acceleration policy, as described in RCW 28A.320.195, that include dual credit courses or other programs and are aligned with the student's postsecondary goals;

(v) Informs students about the potential impacts of their course selections on postsecondary opportunities;

(vi) Identifies available career and technical education equivalency courses that can satisfy core subject area graduation requirements under RCW 28A.230.097;

(vii) If applicable, identifies career and technical education and work-based learning opportunities that can lead to technical college certifications and apprenticeships; and

(viii) If applicable, identifies opportunities for credit recovery and acceleration, including partial and mastery-

based credit accrual to eliminate barriers for on-time grade level progression and graduation per RCW 28A.320.192;

(d) Evidence that the student has received the following information on federal and state financial aid programs that help pay for the costs of a postsecondary program:

(i) The college bound scholarship program established in chapter 28B.118 RCW, the Washington college grant created in RCW 28B.92.200, and other scholarship opportunities;

(ii) The documentation necessary for completing state and federal financial aid applications; application timeliness and submission deadlines; and the importance of submitting applications early;

(iii) Information specific to students who are or have been the subject of a dependency proceeding pursuant to chapter 13.34 RCW, who are or are at risk of being homeless, and whose family member or legal guardian will be required to provide financial and tax information necessary to complete applications;

(iv) Opportunities to participate in advising days and seminars that assist students and, when necessary, their parents or legal guardians, with filling out financial aid applications in accordance with RCW 28A.300.815; and

(v) A sample financial aid letter and a link to the financial aid calculator created in RCW 28B.77.280; and

(e) By the end of the 12th grade, a current resume or activity log that provides a written compilation of the student's education, any work experience, extracurricular activities, and any community service including how the school district has recognized the community service pursuant to RCW 28A.320.193.

(7) In accordance with RCW 28A.230.090(1)(c) any decision on whether a student has met the state board's high school graduation requirements for a high school and beyond plan shall remain at the local level, and a school district may establish additional, local requirements for a high school and beyond plan to serve the needs and interests of its students and the purposes of this section.

(8) The state board of education shall adopt rules to implement this section.

**Sec. 4.** RCW 28A.230.215 and 2020 c 307 s 7 are each amended to read as follows:

(1) The legislature finds that fully realizing the potential of high school and beyond plans as meaningful tools for articulating and revising pathways for graduation will require additional school counselors and family coordinators. The legislature further finds that the development and implementation of an online electronic platform for high school and beyond plans will be an appropriate and supportive action that will assist students, parents and guardians, educators, ((~~and~~))school counselors, and other staff who support students' career and college preparation as the legislature explores options for funding additional school counselors.

(2) ((~~Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall facilitate the creation of a list of available electronic platforms for the high school and beyond plan. Platforms eligible to be included on the list must meet the following requirements:~~

~~(a) Enable students to create, personalize, and revise their high school and beyond plan as required by RCW 28A.230.090;~~

~~(b) Grant parents or guardians, educators, and counselors appropriate access to students' high school and beyond plans;~~

~~(c) Employ a sufficiently flexible technology that allows for subsequent modifications necessitated by statutory changes, administrative changes, or both, as well as enhancements to improve the features and functionality of the platform;~~

~~(d) Include a sample financial aid letter and a link to the financial aid calculator created in RCW 28B.77.280, at such a time as those materials are finalized;~~

~~(e) Comply with state and federal requirements for student privacy;~~

~~(f) Allow for the portability between platforms so that students moving between school districts are able to easily transfer their high school and beyond plans; and~~

~~(g) To the extent possible, include platforms in use by school districts during the 2018-19 school year.~~

~~(3)~~)) Beginning in the 2020-21 school year, each school district must ensure that an electronic high school and beyond plan platform is available to all students who are required to have a high school and beyond plan.

((~~(4)~~))(3) The office of the superintendent of public instruction shall facilitate the transition to a universal online high school and beyond plan platform that will ensure consistent and equitable access to the needed information and support to guide students' educational experience and ensure preparation for their postsecondary plans.

(a) By January 1, 2024, the office of the superintendent of public instruction must develop a preliminary list of existing vendors who can provide or build a platform that meets the criteria outlined in subsection (4) of this section and that supports the high school and beyond plan elements identified in section 3 of this act and has the capabilities to support the new elements identified in section 5 of this act. The office of the superintendent of public instruction must submit the list of existing vendors and estimated costs associated with statewide implementation of the universal platform to the governor and the education policy and fiscal committees of the legislature.

(b) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction must select the vendor that will be responsible for developing the universal platform by June 1, 2024.

(c) By October 1, 2024, the office of the superintendent of public instruction must develop an implementation plan including

both an estimated timeline and updated cost estimates, including the technical assistance, technology updates, ongoing maintenance requirements, and adjustments to the technology funding formula, and statewide professional development that may be needed, for completing full statewide implementation of the universal platform in all school districts. In the implementation plan, the office of the superintendent of public instruction may include a cost alternative for educational service districts to host the universal platform for school districts of the second class when such a district does not have sufficient technology resources to implement and maintain the universal platform.

(4)(a) In addition to the requirements outlined in section 3 of this act, the universal platform must have the capability to be routinely updated and modified in order to include the following elements and capabilities to ensure equity in high school and beyond plans implementation and engagement across the state that:

(i) Enable students to create, personalize, and revise their high school and beyond plan;

(ii) Comply with all necessary state and federal requirements for student privacy and allow for students to opt in or opt out of portions of the universal platform related to third-party information sharing;

(iii) Use technology that can quickly be adapted to include future statutory changes, administrative changes, or both, as well as integrate enhancements to improve the features and functionality;

(iv) Facilitate the automatic import of academic course, credit, and grade data at a regular interval from the most commonly used district student information system platforms and manual import from less commonly used systems so that students' progress towards graduation in the high school beyond plan is accurately reflected at any given time;

(v) Allow for translation into the most common non-English languages across the state in accordance with the model language access policy and procedures as required under chapter 28A.183 RCW;

(vi) Include multiple and varied in-platform assessments with viewable results that can inform career and postsecondary goals including, but not limited to, personality, learning styles, interests, aptitudes, and skills assessments;

(vii) Include a catalog containing meaningful, high quality career exploration opportunities and resources beyond the traditional college, career, and aptitude assessments that are submitted by approved entities (community organizations, institutions of higher education that are authorized to participate in state financial aid programs under chapter 28B.92 RCW, and employers) and vetted by state-selected approvers that allow students to register for or apply to participate in the opportunities (programs, classes, internships, preapprenticeships, online courses, etc.) or access the resources. The universal platform should use completion data from these opportunities to make recommendations to students to include in their high school beyond plans;

(viii) A dedicated space in which to build a direct connection to potential employers, including industry associations, trade associations, labor unions, service branches of the military, nonprofit organizations, and other state and local community organizations so students can learn from experts in different occupational fields about career opportunities and any necessary education and training requirements;

(ix) A secure space for staff, parents or guardians, and approved community partners who support students' academic progress and career and college preparation, to make notes that can inform staff efforts to connect students to academic and career connected learning opportunities and develop support and credit recovery plans for students, as needed;

(x) Accessibility options for students needing accommodations including, but not limited to, visual aids and voice dictation for students with limited literacy skills;

(xi) Indefinite access for students to their high school beyond plan, regardless of current school affiliation or lack thereof, in both mobile and desktop applications, that includes the capability to download and print their plan in one document, without requiring students to access multiple screens;

(xii) Inclusion of in-state labor market, apprenticeship, and postsecondary education performance data, including employment and earning outcomes, certificate and degree completion outcomes, and demographics of enrolled students or employees, to inform students' exploration and consideration of postsecondary options;

(xiii) A dedicated space where students can store additional evidence of their learning and postsecondary preparation, such as videos, essays, art, awards and recognitions, screencasts, letters of recommendation, industry certifications, microcredentials or other mastery-based learning recognitions, and work-integrated learning experiences. The universal platform should include the ability for students and staff to provide access to this portfolio in its entirety or in selected parts to relevant third parties, including institutions of higher education that are authorized to participate in state financial aid programs under chapter 28B.92 RCW, branches of the military, potential employers, or preapprenticeship opportunities;

(xiv) Access to data reporting features that allow schools, districts, and state agencies to review data stored within the universal platform, and allow data to be broken down by demographic, socioeconomic, and other identified characteristics, for the purposes of analyzing student use of the universal platform, improving student access to the information, guidance, and opportunities that can help them maximize their secondary education experience and postsecondary preparation, and informing state-level support for high school and beyond plan implementation;

(xv) A space for the student to indicate the graduation pathway option or options the student has selected to complete and how the selected option or options align with the student's career and postsecondary education goals; and

(xvi) The ability for school districts to customize or add features unique to local needs and local graduation requirements, including the capability to auto-align data with the local school districts' graduation requirements or the ability to enter those requirements manually.

(b) The office of the superintendent of public instruction must also include considerations around how the universal platform will operate in alignment with school to postschool transition plans required for students with an individualized education program transition plan to create efficiencies and reduce redundancy with the high school and beyond plan process and statewide tool.

(5)(a) Within two years of completing the universal platform development and alignment with the requirements in this section and section 3 of this act, school districts must provide students with access to the adopted universal platform.

(b) The office of the superintendent of public instruction must develop guidance and provide technical assistance and support for the facilitation of statewide professional development for school districts and partner organizations in using the universal platform.

(6) In carrying out subsections (3)(b) and (4) of this section, the office of the superintendent of public instruction shall seek input from the state board of education, educators, school and district administrators, school counselors, career counseling specialists, families, students, the Washington student achievement council, institutions of higher education that are authorized to participate in state financial aid programs under chapter 28B.92 RCW, and community partners who support students' career and college preparation. The office of the superintendent of public instruction may partner with existing community and regional networks and organizations who support students' career and college preparation in the analysis, selection, and implementation of the universal platform.

(7) As used in this section "universal platform" means the universal online high school and beyond plan platform.

(8) The office of the superintendent of public instruction may adopt and revise rules as necessary to implement this section.

NEW SECTION. **Sec. 5.** (1) After selection of the vendor for the universal online high school and beyond plan platform as required in RCW 28A.230.215, the office of the superintendent of public instruction, in consultation with the state board of education, shall report to the governor and education committees of the legislature recommendations for additional policy changes related to transitioning the current high school and beyond plan and universal platform into a more robust online learning platform that can be used starting as early as fifth grade and that will provide greater student agency over student learning and provide opportunities for students to more meaningfully explore their strengths, interests, and future aspirations. In addition to the existing high school and beyond plan elements identified in RCW 28A.230.215, the recommendations should examine and incorporate the following elements:

(a) A way to begin student use of a learning plan that utilizes the universal online high school and beyond plan platform no later than the fifth grade and includes ways to introduce career awareness and exploration opportunities in elementary grades as foundational support to students;

(b) Strategies for students to share their interests and engage with peers and mentors in order to obtain ongoing feedback and access to activities and learning opportunities that connect to their goals;

(c) Recommended calendar, schedule, and delivery options to ensure dedicated classroom time so that students are supported in engaging with and updating their plans multiple times per year;

(d) Strategies that increase student and family engagement with the learning plan process and encourages students to meaningfully explore their strengths, skills, and interests on an ongoing basis;

(e) Ways the universal online high school and beyond plan platform can support implementation of recommendations developed by the state board of education under subsection (2) of this section.

(2) The state board of education shall develop recommendations on how the high school and beyond plan could be modified to further support student choice and flexibility in meeting graduation requirements and preparing for postsecondary education and training, including increasing access to mastery-based learning and mastery-based crediting opportunities. The state board of education shall report the recommendations developed under this subsection to the governor and education committees of the legislature.

(3) The reports required under this section shall be submitted to the governor and the education committees of the legislature, in accordance with RCW 43.01.036, by August 1, 2025.

(4) This section expires July 1, 2026.

**Sec. 6.** RCW 28A.230.091 and 2018 c 229 s 2 are each amended to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall work with school districts, including teachers, principals, and school counselors, educational service districts, the Washington state school directors' association, institutions of higher education ((~~as defined in RCW 28B.10.016~~))that are authorized to participate in state financial aid programs under chapter 28B.92 RCW, students, and parents and guardians to identify best practices for high school and beyond plans that districts and schools may employ when

complying with high school and beyond plan requirements adopted in accordance with ((~~RCW 28A.230.090~~))section 3 of this act and RCW 28A.230.215. The identified best practices, which must consider differences in enrollment and other factors that distinguish districts from one another, must be posted on the website of the office of the superintendent of public instruction by September 1, 2019, and may be revised periodically as necessary.

**Sec. 7.** RCW 28A.230.310 and 2020 c 307 s 4 are each amended to read as follows:

(1)(a) Beginning with the 2020-21 school year, all school districts with a high school must provide a financial aid advising day, as defined in RCW 28A.300.815.

(b) Districts must provide both a financial aid advising day and notification of financial aid opportunities at the beginning of each school year to parents and guardians of any student entering the twelfth grade. The notification must include information regarding:

(i) The eligibility requirements of the Washington college grant;

(ii) The requirements of the financial aid advising day;

(iii) The process for opting out of the financial aid advising day; and

(iv) Any community-based resources available to assist parents and guardians in understanding the requirements of and how to complete the free application for federal student aid and the Washington application for state financial aid.

(2) Districts may administer the financial aid advising day, as defined in RCW 28A.300.815, in accordance with information-sharing requirements set in the high school and beyond plan in ((~~RCW 28A.230.090~~))section 3 of this act and RCW 28A.230.215.

(3) The Washington state school directors' association, with assistance from the office of the superintendent of public instruction and the Washington student achievement council, shall develop a model policy and procedure that school district board of directors may adopt. The model policy and procedure must describe minimum standards for a financial aid advising day as defined in RCW 28A.300.815.

(4) School districts are encouraged to engage in the Washington student achievement council's financial aid advising training.

(5) The office of the superintendent of public instruction may adopt rules for the implementation of this section.

**Sec. 8.** RCW 28A.230.320 and 2021 c 7 s 2 are each amended to read as follows:

(1) Beginning with the class of 2020, the state board of education may authorize school districts to grant individual student emergency waivers from credit and subject area graduation requirements established in RCW 28A.230.090, the graduation pathway requirement established in RCW 28A.655.250, or both if:

(a) The student's ability to complete the requirement was impeded due to a significant disruption resulting from a local, state, or national emergency;

(b) The school district demonstrates a good faith effort to support the individual student in meeting the requirement before considering an emergency waiver;

(c) The student was reasonably expected to graduate in the school year when the emergency waiver is granted; and

(d) The student has demonstrated skills and knowledge indicating preparation for the next steps identified in their high school and beyond plan under ((~~RCW 28A.230.090~~))section 3 of this act and RCW 28A.230.215 and for success in postsecondary education, gainful employment, and civic engagement.

(2) A school district that is granted emergency waiver authority under this section shall:

(a) Maintain a record of courses and requirements waived as part of the individual student record;

(b) Include a notation of waived credits on the student's high school transcript;

(c) Maintain records as necessary and as required by rule of the state board of education to document compliance with subsection (1)(b) of this section;

(d) Report student level emergency waiver data to the office of the superintendent of public instruction in a manner determined by the superintendent of public instruction in consultation with the state board of education;

(e) Determine if there is disproportionality among student subgroups receiving emergency waivers and, if so, take appropriate corrective actions to ensure equitable administration. At a minimum, the subgroups to be examined must include those referenced in RCW 28A.300.042(3). If further disaggregation of subgroups is available, the school district shall also examine those subgroups; and

(f) Adopt by resolution a written plan that describes the school district's process for students to request or decline an emergency waiver, and a process for students to appeal within the school district a decision to not grant an emergency waiver.

(3)(a) By November 1, 2021, and annually thereafter, the office of the superintendent of public instruction shall provide the data reported under subsection (2) of this section to the state board of education.

(b) The state board of education, by December 15, 2021, and within existing resources, shall provide the education committees of the legislature with a summary of the emergency waiver data provided by the office of the superintendent of public instruction under this subsection (3) for students in the graduating classes of 2020 and 2021. The summary must include the following information:

(i) The total number of emergency waivers requested and issued, by school district, including an indication of what requirement or requirements were waived. Information provided in accordance with this subsection ((~~[(3)]~~))(3)(b)(i) must also indicate the number of students in the school district grade cohort of each student receiving a waiver; and

(ii) An analysis of any concerns regarding school district implementation, including any concerns related to school

district demonstrations of good faith efforts as required by subsection (1)(b) of this section, identified by the state board of education during its review of the data.

(4) The state board of education shall adopt and may periodically revise rules for eligibility and administration of emergency waivers under this section. The rules may include:

(a) An application and approval process that allows school districts to apply to the state board of education to receive authority to grant emergency waivers in response to an emergency;

(b) Eligibility criteria for meeting the requirements established in subsection (1) of this section;

(c) Limitations on the number and type of credits that can be waived; and

(d) Expectations of the school district regarding communication with students and their parents or guardians.

(5) For purposes of this section:

(a) "Emergency" has the same meaning as "emergency or disaster" in RCW 38.52.010. "Emergency" may also include a national declaration of emergency by an authorized federal official.

(b) "School district" means any school district, charter school established under chapter 28A.710 RCW, tribal compact school operated according to the terms of state-tribal education compacts authorized under chapter 28A.715 RCW, private school, state school established under chapter 72.40 RCW, and community and technical college granting high school diplomas.

**Sec. 9.** RCW 28A.300.900 and 2018 c 228 s 1 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges and the Washington state apprenticeship and training council, shall examine opportunities for promoting recognized preapprenticeship and registered youth apprenticeship opportunities for high school students.

(2) In accordance with this section, by November 1, 2018, the office of the superintendent of public instruction shall solicit input from persons and organizations with an interest or relevant expertise in registered preapprenticeship programs, registered youth apprenticeship programs, or both, and employer-based preapprenticeship and youth apprenticeship programs, and provide a report to the governor and the education committees of the house of representatives and the senate that includes recommendations for:

(a) Improving alignment between college-level vocational courses at institutions of higher education and high school curriculum and graduation requirements, including high school and beyond plans required by RCW 28A.230.090 and in accordance with section 3 of this act and RCW 28A.230.215. Recommendations provided under this subsection may include recommendations for the development or revision of career and technical education course equivalencies established in accordance with RCW 28A.700.080(1)(b) for college-level vocational courses successfully completed by a student while in high school and taken for dual credit;

(b) Identifying and removing barriers that prevent the wider exploration and use of registered preapprenticeship and registered youth apprenticeship opportunities by high school students and opportunities for registered apprenticeships by graduating secondary students; and

(c) Increasing awareness among teachers, counselors, students, parents, principals, school administrators, and the public about the opportunities offered by registered preapprenticeship and registered youth apprenticeship programs.

(3) As used in this section, "institution of higher education" has the same meaning as defined in RCW 28A.600.300.

**Sec. 10.** RCW 28A.655.250 and 2021 c 7 s 3 are each amended to read as follows:

(1)(a) Beginning with the class of 2020, except as provided in RCW 28A.230.320, graduation from a public high school and the earning of a high school diploma must include the following:

(i) Satisfying the graduation requirements established by the state board of education under RCW 28A.230.090 and any graduation requirements established by the applicable public high school or school district;

(ii) Satisfying credit requirements for graduation;

(iii) Demonstrating career and college readiness through completion of the high school and beyond plan as required by RCW 28A.230.090 and in accordance with section 3 of this act and RCW 28A.230.215; and

(iv) Meeting the requirements of at least one graduation pathway option established in this section. The pathway options established in this section are intended to provide a student with multiple pathways to graduating with a meaningful high school diploma that are tailored to the goals of the student. A student may choose to pursue one or more of the pathway options under (b) of this subsection, but any pathway option used by a student to demonstrate career and college readiness must be in alignment with the student's high school and beyond plan.

(b) The following graduation pathway options may be used to demonstrate career and college readiness in accordance with (a)(iv) of this subsection:

(i) Meet or exceed the graduation standard established by the state board of education under RCW 28A.305.130 on the statewide high school assessments in English language arts and mathematics as provided for under RCW 28A.655.070;

(ii) Complete and qualify for college credit in dual credit courses in English language arts and mathematics. For the purposes of this subsection, "dual credit course" means a course in which a student qualifies for college and high school credit in English language arts or mathematics upon successfully completing the course;

(iii) Earn high school credit in a high school transition course in English language

arts and mathematics, an example of which includes a bridge to college course. For the purposes of this subsection (1)(b)(iii), "high school transition course" means an English language arts or mathematics course offered in high school where successful completion by a high school student ensures the student college-level placement at participating institutions of higher education as defined in RCW 28B.10.016. High school transition courses must satisfy core or elective credit graduation requirements established by the state board of education. A student's successful completion of a high school transition course does not entitle the student to be admitted to an institution of higher education as defined in RCW 28B.10.016;

(iv) Earn high school credit, with a C+ grade, or receiving a three or higher on the AP exam, or equivalent, in AP, international baccalaureate, or Cambridge international courses in English language arts and mathematics; or receiving a four or higher on international baccalaureate exams. For English language arts, successfully completing any of the following courses meets the standard: AP English language and composition literature, macroeconomics, microeconomics, psychology, United States history, world history, United States government and politics, or comparative government and politics; or any of the international baccalaureate individuals and societies courses. For mathematics, successfully completing any of the following courses meets the standard: AP statistics, computer science, computer science principles, or calculus; or any of the international baccalaureate mathematics courses;

(v) Meet or exceed the scores established by the state board of education for the mathematics portion and the reading, English, or writing portion of the SAT or ACT;

(vi) Meet any combination of at least one English language arts option and at least one mathematics option established in (b)(i) through (v) of this subsection (1);

(vii) Meet standard in the armed services vocational aptitude battery; and

(viii) Complete a sequence of career and technical education courses that are relevant to a student's postsecondary pathway, including those leading to workforce entry, state or nationally approved apprenticeships, or postsecondary education, and that meet either: The curriculum requirements of core plus programs for aerospace, maritime, health care, information technology, or construction and manufacturing; or the minimum criteria identified in RCW 28A.700.030. Nothing in this subsection (1)(b)(viii) requires a student to enroll in a preparatory course that is approved under RCW 28A.700.030 for the purposes of demonstrating career and college readiness under this section.

(2) While the legislature encourages school districts to make all pathway options established in this section available to their high school students, and to expand their pathway options until that goal is met, school districts have discretion in determining which pathway options under this section they will offer to students.

(3) The state board of education shall adopt rules to implement the graduation pathway options established in this section.

NEW SECTION. **Sec. 11.** RCW 28A.655.270 (Student support for graduation—Student learning plans) and 2019 c 252 s 203 are each repealed."

Correct the title.

Signed by Representatives Santos, Chair; Shavers, Vice Chair; Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bergquist; Callan; Eslick; Harris; McClintock; Ortiz-Self; Pollet; Sandlin; Steele; Stonier and Timmons.

Referred to Committee on Appropriations

March 27, 2023

SB 5274 Prime Sponsor, Senator Valdez: Expanding eligibility in certain public employment positions for lawful permanent residents. Reported by Committee on Community Safety, Justice, & Reentry

MAJORITY recommendation: Do pass. Signed by Representatives Goodman, Chair; Simmons, Vice Chair; Davis; Farivar; Fosse and Ramos.

MINORITY recommendation: Do not pass. Signed by Representatives Mosbrucker, Ranking Minority Member; and Graham.

MINORITY recommendation: Without recommendation. Signed by Representative Griffey, Assistant Ranking Minority Member.

Referred to Committee on Rules for second reading

March 28, 2023

SB 5283 Prime Sponsor, Senator Van De Wege: Authorizing the state board of registration for professional engineers and land surveyors to waive the fundamentals examination for professional engineer or professional land surveyor comity applicants. Reported by Committee on Consumer Protection & Business

MAJORITY recommendation: Do pass. Signed by Representatives Walen, Chair; Reeves, Vice Chair; Corry, Ranking Minority Member; McClintock, Assistant Ranking Minority Member; Chapman; Cheney; Connors; Donaghy; Hackney; Ryu; Sandlin; Santos and Volz.

Referred to Committee on Rules for second reading

March 28, 2023

ESSB 5284 Prime Sponsor, State Government & Elections: Concerning campaign finance disclosure. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 42.17A.205 and 2019 c 428 s 14 are each amended to read as follows:

(1) Every political committee shall file a statement of organization with the commission. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier. A political committee organized within ((~~the last three weeks~~))the period beginning the first day of the last full month before an election and having the expectation of receiving contributions or making expenditures during and for that election campaign shall file a statement of organization within three business days after its organization or when it first has the expectation of receiving contributions or making expenditures in the election campaign.

(2) The statement of organization shall include but not be limited to:

(a) The name, address, and electronic contact information of the committee;

(b) The names, addresses, and electronic contact information of all related or affiliated committees or other persons, and the nature of the relationship or affiliation;

(c) The names, addresses, and titles of its officers; or if it has no officers, the names, addresses, and titles of its responsible leaders;

(d) The name, address, and electronic contact information of its treasurer and depository;

(e) A statement whether the committee is a continuing one;

(f) The name, office sought, and party affiliation of each candidate whom the committee is supporting or opposing, and, if the committee is supporting the entire ticket of any party, the name of the party;

(g) The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition;

(h) What distribution of surplus funds will be made, in accordance with RCW 42.17A.430, in the event of dissolution;

(i) Such other information as the commission may by rule prescribe, in keeping with the policies and purposes of this chapter;

(j) The name, address, and title of any person who authorizes expenditures or makes decisions on behalf of the candidate or committee; and

(k) The name, address, and title of any person who is paid by or is a volunteer for a candidate or political committee to perform ministerial functions and who performs ministerial functions on behalf of two or more candidates or committees.

(3) No two political committees may have the same name.

(4) Any material change in information previously submitted in a statement of organization shall be reported to the commission within the ten days following the change.

(5) As used in this section, the "name" of a sponsored committee must include the name of the person who is the sponsor of the committee. If more than one person meets the definition of sponsor, the name of the committee must include the name of at least one sponsor, but may include the names of other sponsors. A person may sponsor only one political committee for the same elected office or same ballot proposition per election cycle.

**Sec. 2.** RCW 42.17A.207 and 2019 c 428 s 15 are each amended to read as follows:

(1)(a) An incidental committee must file a statement of organization with the commission within two weeks after the date the committee first:

(i) Has the expectation of making any expenditures aggregating at least ((~~twenty-five thousand dollars~~))$25,000 in a calendar year in any election campaign, or to a political committee; and

(ii) Is required to disclose a payment received under RCW 42.17A.240(2)(d).

(b) If an incidental committee first meets the criteria requiring filing a statement of organization as specified in (a) of this subsection ((~~in the last three weeks~~))within the period beginning the first day of the last full month before an election, then it must file the statement of organization within three business days.

(2) The statement of organization must include but is not limited to:

(a) The name, address, and electronic contact information of the committee;

(b) The names and addresses of all related or affiliated political or incidental committees or other persons, and the nature of the relationship or affiliation;

(c) The names, addresses, and titles of its officers; or if it has no officers, the names, addresses, and titles of its responsible leaders and the name of the person designated as the treasurer of the incidental committee;

(d) The name, office sought, and party affiliation of each candidate whom the committee is supporting or opposing if the committee contributes directly to a candidate and, if donating to a political committee, the name and address of that political committee;

(e) The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition; and

(f) Such other information as the commission may by rule prescribe, in keeping with the policies and purposes of this chapter.

(3) Any material change in information previously submitted in a statement of organization must be reported to the commission within the ten days following the change.

**Sec. 3.** RCW 42.17A.235 and 2019 c 428 s 20 are each amended to read as follows:

(1)(a) In addition to the information required under RCW 42.17A.205 and 42.17A.210, each candidate or political committee must file with the commission a report of all contributions received and expenditures made as a political committee on the next reporting date pursuant to the timeline established in this section.

(b) In addition to the information required under RCW 42.17A.207 and 42.17A.210, on the day an incidental committee files a statement of organization with the commission, each incidental committee must file with the commission a report of any election campaign expenditures under RCW 42.17A.240((~~(6)~~))(7), as well as the source of the ((~~ten~~))10 largest cumulative payments of ((~~ten thousand dollars~~))$10,000 or greater it received in the current calendar year from a single person, including any persons tied as the ((~~tenth~~))10th largest source of payments it received, if any.

(2) Each treasurer of a candidate or political committee, or an incidental committee, required to file a statement of organization under this chapter, shall file with the commission a report, for each election in which a candidate, political committee, or incidental committee is participating, containing the information required by RCW 42.17A.240 at the following intervals:

(a) On the ((~~twenty-first day and the seventh~~))34th day, the 20th day, and the sixth day immediately preceding the date ((~~on which~~))of the general election ((~~is held~~)); ((~~and~~))

(b) On the 20th day and the sixth day immediately preceding the date of the primary or special election; and

(c) On the ((~~tenth~~))10th day of the first full month after the election.

(3)(a) Each treasurer of a candidate or political committee shall file with the commission a report on the ((~~tenth~~))10th day of each month during which the candidate or political committee is not ((~~participating in an election campaign~~))otherwise required to report under subsection (2) of this section, only if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed ((~~two hundred dollars~~))$200.

(b) Each incidental committee shall file with the commission a report on the ((~~tenth~~))10th day of each month during which the incidental committee is not otherwise required to report under this section only if the committee has:

(i) Received a payment that would change the information required under RCW 42.17A.240(2)(d) as included in its last report; or

(ii) Made any election campaign expenditure reportable under RCW 42.17A.240((~~(6)~~))(7) since its last report, and the total election campaign expenditures made since the last report exceed ((~~two hundred dollars~~))$200.

(4) The ((~~report~~))reports filed ((~~twenty-one~~))34 days, 20 days, and six days before the general election and 20 days and six days before the primary or special election shall report all contributions received and expenditures made ((~~as of~~))from the closing date of the last report filed through the end of ((~~one business day~~))two calendar days before the date of ((~~the report~~))each filing. ((~~The report filed seven days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report.~~)) Reports filed on the ((~~tenth~~))10th day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report.

(5) For the period beginning the first day of the fourth month preceding the date of the special election, or for the period beginning the first day of the fifth month before the date of the general election, and ending on the date of that special or general election, each Monday the treasurer for a candidate or a political committee shall file with the commission a report of each bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds and the amount contributed by each person. However, persons who contribute no more than ((~~twenty-five dollars~~))$25 in the aggregate are not required to be identified in the report. A copy of the report shall be retained by the treasurer for the treasurer's records. In the event of deposits made by candidates, political committee members, or paid staff other than the treasurer, the copy shall be immediately provided to the treasurer for the treasurer's records. Each report shall be certified as correct by the treasurer.

(6)(a) The treasurer for a candidate or a political committee shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditure. During the ((~~ten~~))10 calendar days immediately preceding the date of the election the books of account shall be kept current within one business day. As specified in the political committee's statement of organization filed under RCW 42.17A.205, the books of account must be open for public inspection by appointment at a place agreed upon by both the treasurer and the requestor, for inspections between 9:00 a.m. and 5:00 p.m. on any day from the ((~~tenth~~))10th calendar day immediately before the election through the day immediately before the election, other than Saturday, Sunday, or a legal holiday. It is a violation of this chapter for a candidate or political committee to refuse to allow and keep an appointment for an inspection to be conducted during these authorized times and days. The appointment must be allowed at an authorized time and day for such inspections that is within ((~~forty-eight~~))48 hours of the time and day that is requested for the inspection. The treasurer may provide digital access or copies of the books of account in lieu of scheduling an appointment at a designated place for inspection. If the treasurer and requestor are unable to agree on a location and the treasurer has not provided digital access to the books of account, the default location for an appointment shall be a place of public accommodation selected by the treasurer within a reasonable distance from the treasurer's office.

(b) At the time of making the appointment, a person wishing to inspect the books of account must provide the treasurer the name and telephone number of the person

wishing to inspect the books of account. The person inspecting the books of account must show photo identification before the inspection begins.

(c) A treasurer may refuse to show the books of account to any person who does not make an appointment or provide the required identification. The commission may issue limited rules to modify the requirements set forth in this section in consideration of other technology and best practices.

(7) Copies of all reports filed pursuant to this section shall be readily available for public inspection by appointment, pursuant to subsection (6) of this section.

(8) The treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred or for any longer period as otherwise required by law.

(9) All reports filed pursuant to subsection (1) or (2) of this section shall be certified as correct by the candidate and the treasurer.

(10) Where there is not a pending complaint concerning a report, it is not evidence of a violation of this section to submit an amended report within ((~~twenty-one~~))21 days of filing an initial report if:

(a) The report is accurately amended;

(b) The amended report is filed more than ((~~thirty~~))30 days before an election;

(c) The total aggregate dollar amount of the adjustment for the amended report is within three times the contribution limit per election or ((~~two hundred dollars~~))$200, whichever is greater; and

(d) The committee reported all information that was available to it at the time of filing, or made a good faith effort to do so, or if a refund of a contribution or expenditure is being reported.

(11)(a) When there is no outstanding debt or obligation, the campaign fund is closed, the campaign is concluded in all respects, and the political committee has ceased to function and intends to dissolve, the treasurer shall file a final report. Upon submitting a final report, the political committee so intending to dissolve must file notice of intent to dissolve with the commission and the commission must post the notice on its website.

(b) Any political committee may dissolve ((~~sixty~~))60 days after it files its notice to dissolve, only if:

(i) The political committee does not make any expenditures other than those related to the dissolution process or engage in any political activity or any other activities that generate additional reporting requirements under this chapter after filing such notice;

(ii) No complaint or court action under this chapter is pending against the political committee; and

(iii) All penalties assessed by the commission or court order have been paid by the political committee.

(c) The political committee must continue to report regularly as required under this chapter until all the conditions under (b) of this subsection are resolved.

(d) Upon dissolution, the commission must issue an acknowledgment of dissolution, the duties of the treasurer shall cease, and there shall be no further obligations under this chapter. Dissolution does not absolve the candidate or board of the committee from responsibility for any future obligations resulting from the finding after dissolution of a violation committed prior to dissolution.

(12) The commission must adopt rules for the dissolution of incidental committees.

**Sec. 4.** RCW 42.17A.255 and 2020 c 152 s 5 are each amended to read as follows:

(1) For the purposes of this section the term "independent expenditure" means any expenditure that is made in support of or in opposition to any candidate or ballot proposition and is not otherwise required to be reported pursuant to RCW 42.17A.225, 42.17A.235, and 42.17A.240. "Independent expenditure" does not include: An internal political communication primarily limited to the contributors to a political party organization or political action committee, or the officers, management staff, and stockholders of a corporation or similar enterprise, or the members of a labor organization or other membership organization; or the rendering of personal services of the sort commonly performed by volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," for the purposes of this section, means services or labor for which the individual is not compensated by any person.

(2) Within five days after the date of making an independent expenditure that by itself or when added to all other such independent expenditures made during the same election campaign by the same person equals ((~~one hundred dollars~~))$100 or more, or within five days after the date of making an independent expenditure for which no reasonable estimate of monetary value is practicable, whichever occurs first, the person who made the independent expenditure shall file with the commission an initial report of all independent expenditures made during the campaign prior to and including such date.

(3)(a) At the following intervals each person who is required to file an initial report pursuant to subsection (2) of this section shall file with the commission a further report of the independent expenditures made since the date of the last report:

((~~(a)~~))(i) On the ((~~twenty-first day and the seventh~~))34th day, the 20th day, and the sixth day preceding the date ((~~on which~~))of the general election ((~~is held~~)); ((~~and~~

~~(b)~~))(ii) On the 20th day and the sixth day immediately preceding the date of the primary or special election;

(iii) On the ((~~tenth~~))10th day of the first month after the election; and

((~~(c)~~))(iv) On the ((~~tenth~~))10th day of each month in which no other reports are required to be filed pursuant to this section. ((~~However, the~~))

(b)(i) The further reports required by this subsection (3) shall only be filed if the reporting person has made an independent expenditure since the date of the last previous report filed.

((~~The report filed pursuant to (a) of this subsection (3)~~))(ii) If no further reports are required to be filed, the last report required to be filed shall be the final report, and upon submitting such final report the duties of the reporting person shall cease, and there shall be no obligation to make any further reports.

(4) All reports filed pursuant to this section shall be certified as correct by the reporting person.

(5) Each report required by subsections (2) and (3) of this section shall disclose for the period beginning at the end of the period for the last previous report filed or, in the case of an initial report, beginning at the time of the first independent expenditure, and ending not more than ((~~one~~))two business days before the date the report is due:

(a) The name, address, and electronic contact information of the person filing the report;

(b) The name and address of each person to whom an independent expenditure was made in the aggregate amount of more than ((~~fifty dollars~~))$50, and the amount, date, and purpose of each such expenditure. If no reasonable estimate of the monetary value of a particular independent expenditure is practicable, it is sufficient to report instead a precise description of services, property, or rights furnished through the expenditure and where appropriate to attach a copy of the item produced or distributed by the expenditure;

(c) The total sum of all independent expenditures made during the campaign to date;

(d) A statement from the person making an independent expenditure that:

(i) The expenditure is not financed in any part by a foreign national; and

(ii) Foreign nationals are not involved in making decisions regarding the expenditure in any way; and

(e) Such other information as shall be required by the commission by rule in conformance with the policies and purposes of this chapter.

**Sec. 5.** RCW 42.17A.260 and 2020 c 152 s 6 are each amended to read as follows:

(1) The sponsor of political advertising shall file a special report to the commission within ((~~twenty-four~~))24 hours of, or on the first working day after, the date the political advertising is first published, mailed, or otherwise presented to the public, if the political advertising:

(a) Is published, mailed, or otherwise presented to the public within ((~~twenty-one~~))21 days of an election; and

(b) Either:

(i) Qualifies as an independent expenditure with a fair market value or actual cost of ((~~one thousand dollars~~))$1,000 or more, for political advertising supporting or opposing a candidate; or

(ii) Has a fair market value or actual cost of ((~~one thousand dollars~~))$1,000 or more, for political advertising supporting or opposing a ballot proposition, and is not otherwise required to be reported pursuant to RCW 42.17A.225, 42.17A.235, or 42.17A.240, supporting or opposing the same ballot proposition.

(2) If a sponsor is required to file a special report under this section, the sponsor shall also deliver to the commission within the delivery period established in subsection (1) of this section a special report for ((~~each~~)):

(a) Each subsequent independent expenditure of any size supporting or opposing the same candidate who was the subject of the previous independent expenditure, supporting or opposing that candidate's opponent((~~, or, in the case of a~~)); or

(b) Each subsequent expenditure of any size made in support of or in opposition to ((~~a~~))the same ballot proposition that was the subject of the previous expenditure, and is not otherwise required to be reported pursuant to RCW 42.17A.225, 42.17A.235, or 42.17A.240((~~, supporting or opposing the same ballot proposition that was the subject of the previous expenditure~~)).

(3) The special report must include:

(a) The name and address of the person making the expenditure;

(b) The name and address of the person to whom the expenditure was made;

(c) A detailed description of the expenditure;

(d) The date the expenditure was made and the date the political advertising was first published or otherwise presented to the public;

(e) The amount of the expenditure;

(f) The name of the candidate supported or opposed by the expenditure, the office being sought by the candidate, and whether the expenditure supports or opposes the candidate; or the name of the ballot proposition supported or opposed by the expenditure and whether the expenditure supports or opposes the ballot proposition;

(g) A statement from the sponsor that:

(i) The political advertising is not financed in any part by a foreign national; and

(ii) Foreign nationals are not involved in making decisions regarding the political advertising in any way; and

(h) Any other information the commission may require by rule.

(4) All persons required to report under RCW 42.17A.225, 42.17A.235, 42.17A.240, 42.17A.255, and 42.17A.305 are subject to the requirements of this section, except as otherwise provided in this section. The commission may determine that reports filed pursuant to this section also satisfy the requirements of RCW 42.17A.255.

(5) The sponsor of independent expenditures supporting a candidate or opposing that candidate's opponent required to report under this section shall file with each required report an affidavit or declaration of the person responsible for making the independent expenditure that the expenditure was not made in cooperation, consultation, or concert with, or at the

request or suggestion of, the candidate, the candidate's authorized committee, or the candidate's agent, or with the encouragement or approval of the candidate, the candidate's authorized committee, or the candidate's agent.

**Sec. 6.** RCW 42.17A.265 and 2020 c 152 s 7 are each amended to read as follows:

(1) Treasurers shall prepare and deliver to the commission a special report when a contribution or aggregate of contributions totals ((~~one thousand dollars or more~~))more than the contribution limit to a candidate for state officer other than legislative office, as provided in RCW 42.17A.405(2), is from a single person or entity, and is received during ((~~a special reporting period~~))the period from the beginning of the last full month preceding an election in which the treasurer's committee is participating, and concluding the day before that election.

(2) A political committee shall prepare and deliver to the commission a special report when it makes a contribution or an aggregate of contributions to a single entity that totals ((~~one thousand dollars or more during a special reporting period~~))more than the contribution limit to a candidate for state office other than legislative office, as provided in RCW 42.17A.405(2), during the same special reporting period as set forth in subsection (1) of this section.

(3) An aggregate of contributions includes only those contributions made to or received from a single entity during any one special reporting period. ((~~Any~~))After a special report is filed as provided under subsection (1) or (2) of this section, an additional special report must be filed for any subsequent contribution of any size made to or received from the same person or entity during the special reporting period ((~~must also be reported~~)).

(4) ((~~Special reporting periods, for purposes of this section, include:~~

~~(a) The period beginning on the day after the last report required by RCW 42.17A.235 and 42.17A.240 to be filed before a primary and concluding on the end of the day before that primary;~~

~~(b) The period twenty-one days preceding a general election; and~~

~~(c) An aggregate of contributions includes only those contributions received from a single entity during any one special reporting period or made by the contributing political committee to a single entity during any one special reporting period.~~

~~(5) If a campaign treasurer files a special report under this section for one or more contributions received from a single entity during a special reporting period, the treasurer shall also file a special report under this section for each subsequent contribution of any size which is received from that entity during the special reporting period. If a political committee files a special report under this section for a contribution or contributions made to a single entity during a special reporting period, the political committee shall also file a special report for each subsequent contribution of any size which is made to that entity during the special reporting period.~~

~~(6)~~)) Special reports required by this section shall be delivered electronically, or in written form if an electronic alternative is not available.

(a) The special report required of a contribution recipient under subsection (1) of this section shall be delivered to the commission within ((~~forty-eight~~))48 hours of the time, or on the first ((~~working~~))business day after:

(i) The qualifying contribution ((~~of one thousand dollars or more~~)) is received by the candidate or treasurer; ((~~the~~))

(ii) The aggregate received by the candidate or treasurer first equals ((~~one thousand dollars or more~~))the qualifying amount; or ((~~any~~))

(iii) Any subsequent contribution from the same source is received by the candidate or treasurer.

(b) The special report required of a contributor under subsection (2) of this section or RCW 42.17A.625 shall be delivered to the commission, and the candidate or political committee to whom the contribution or contributions are made, within ((~~twenty-four~~))24 hours of the time, or on the first ((~~working~~))business day after:

(i) The qualifying contribution is made; ((~~the~~))

(ii) The aggregate of contributions made first equals ((~~one thousand dollars or more~~))the qualifying amount; or ((~~any~~))

(iii) Any subsequent contribution to the same person or entity is made.

((~~(7)~~))(5) The special report shall include:

(a) The amount of the contribution or contributions;

(b) The date or dates of receipt;

(c) The name and address of the donor;

(d) The name and address of the recipient;

(e) A statement that the candidate or political committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making a contribution reportable under this section that:

(i) The contribution is not financed in any part by a foreign national; and

(ii) Foreign nationals are not involved in making decisions regarding the contribution in any way; and

(f) Any other information the commission may by rule require.

((~~(8)~~))(6) Contributions reported under this section shall also be reported as required by other provisions of this chapter.

((~~(9)~~))(7) The commission shall prepare daily a summary of the special reports made under this section and RCW 42.17A.625.

((~~(10)~~))(8) Contributions governed by this section include, but are not limited to, contributions made or received indirectly through a third party or entity whether the contributions are or are not reported to the commission as earmarked contributions under RCW 42.17A.270.

**Sec. 7.** RCW 42.17A.345 and 2019 c 428 s 26 are each amended to read as follows:

(1) Each commercial advertiser who has accepted or provided political advertising or electioneering communications during the election campaign shall maintain current books of account and related materials as provided by rule that shall be open for public inspection during normal business hours during the campaign and for a period of no less than five years after the date of the applicable election. The documents and books of account shall specify:

(a) The names and addresses of persons from whom it accepted political advertising or electioneering communications;

(b) The exact nature and extent of the services rendered; and

(c) The total cost and the manner of payment for the services.

(2) At the request of the commission, each commercial advertiser required to comply with subsection (1) of this section shall provide to the commission copies of the information that must be maintained and be open for public inspection pursuant to subsection (1) of this section.

(3) Any person who purchases political advertising or electioneering communications from a commercial advertiser must disclose upon request from the commercial advertiser:

(a) That the purchase includes political advertising or electioneering communications;

(b) The name of the sponsor, if different than the person making the purchase; and

(c) Any other information the commercial advertiser is required to maintain, as provided by this section or rule.

(4) Any failure to provide the required information in subsection (3) of this section upon request is a violation under this chapter, but such failure shall not relieve a commercial advertiser of any of the requirements under this section."

Correct the title.

Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; Gregerson; Low and Mena.

Referred to Committee on Rules for second reading

March 27, 2023

E2SSB 5315 Prime Sponsor, Ways & Means: Concerning nonpublic agencies operating special education programs for students with disabilities. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1)(a) The legislature finds that the federal individuals with disabilities education act, Title 20 U.S.C. Sec. 1400 et seq. establishes duties for the state education agency, which is the office of the superintendent of public instruction in Washington, with respect to students with disabilities who are placed in a private school or facility by a school district or other public agency as a means of providing special education and related services.

(b) Since 2006, the federal implementing regulations of the federal individuals with disabilities education act have required that the office of the superintendent of public instruction ensure that a student with a disability who is placed in a private school or facility by a school district or other public agency:

(i) Is provided special education and related services in conformance with an individualized education program that meets the requirements of federal law and at no cost to the student's parents;

(ii) Is provided an education that meets the standards that apply to education provided by a school district or other public agency; and

(iii) Has all of the rights of a student with a disability who is served by a school district or other public agency.

(c) Since 2006, the federal implementing regulations of the federal individuals with disabilities education act have required that the office of the superintendent of public instruction, in implementing the requirements described in (b) of this subsection (1):

(i) Monitor compliance through procedures such as written reports, on-site visits, and parent questionnaires;

(ii) Disseminate copies of applicable standards to each private school and facility to which a school district or other public agency placed a student with a disability; and

(iii) Provide an opportunity for those private schools and facilities to participate in the development and revision of state standards that apply to them.

(2) The legislature acknowledges that it has not codified the requirements described in subsection (1) of this section into state statute. Therefore, the legislature intends to codify the duty and authority of the superintendent of public instruction to establish standards for approving, monitoring, and investigating education centers, which are private schools and facilities that contract with school districts to provide special education and related services to students with disabilities placed in the education center by a school district. The legislature also intends to codify the requirement that these standards must ensure that any students with disabilities placed in an education center by a school district have the same rights, protections, and access to special education and related services that they would have if served by a school district.

**Sec. 2.** RCW 28A.155.090 and 2007 c 115 s 11 are each amended to read as follows:

The superintendent of public instruction shall have the duty and authority, through the administrative section or unit for the education of children with disabling conditions, to:

(1) Assist school districts in the formation of programs to meet the needs of children with disabilities;

(2) Develop interdistrict cooperation programs for children with disabilities as authorized in RCW 28A.225.250;

(3) Provide, upon request, to parents or guardians of children with disabilities, information as to the special education programs for students with disabilities offered within the state;

(4) Assist, upon request, the parent or guardian of any child with disabilities in the placement of any child with disabilities who is eligible for but not receiving special educational services for children with disabilities;

(5) Approve school district and agency programs as being eligible for special excess cost financial aid to students with disabilities;

(6) Establish standards for approving, monitoring, and investigating education centers, as defined in RCW 28A.205.010, that contract with school districts under RCW 28A.155.060 to provide special education and related services to children with disabilities placed in the education center by a school district. The standards must ensure that any children with disabilities placed in the education center by a school district have the same rights, protections, and access to special education and related services that they would have if served by a school district;

(7) Consistent with the provisions of RCW 28A.150.390, 28A.160.030, and 28A.155.010 through 28A.155.160, and part B of the federal individuals with disabilities education improvement act, administer administrative hearings and other procedures to ensure procedural safeguards of children with disabilities; and

((~~(7)~~))(8) Promulgate such rules as are necessary to implement part B of the federal individuals with disabilities education improvement act or other federal law providing for special education services for children with disabilities and the several provisions of RCW 28A.150.390, 28A.160.030, and 28A.155.010 through 28A.155.160 and to ensure appropriate access to and participation in the general education curriculum and participation in statewide assessments for all students with disabilities.

**Sec. 3.** RCW 28A.205.010 and 2006 c 263 s 408 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) ((~~As used in this chapter, unless the context thereof shall clearly indicate to the contrary:~~))

"Education center" means ((~~any private school operated on a profit or nonprofit basis which~~))a private in-state school or facility operated on a profit or nonprofit basis, or any out-of-state school or facility, that contracts with a school district to provide special education and related services to students with disabilities placed in the education center by the school district and that does the following:

(a) Is devoted to the teaching of basic academic skills, including specific attention to improvement of student motivation for achieving, and employment orientation((~~.~~));

(b) Operates on a clinical, client centered basis. This shall include, but not be limited to, performing diagnosis of individual educational abilities, determination and setting of individual goals, prescribing and providing individual courses of instruction therefor, and evaluation of each individual client's progress in his or her educational program((~~.~~));and

(c) Conducts courses of instruction by ((~~professionally trained personnel certificated by the Washington professional educator standards board according to rules adopted for the purposes of this chapter and providing, for certification purposes, that a year's teaching experience in an education center shall be deemed equal to a year's teaching experience in a common or private school~~))licensed teachers.

(2) ((~~For purposes of this chapter, basic academic skills shall~~))"Basic academic skills" must include the study of mathematics, speech, language, reading and composition, science, history, literature, and political science or civics((~~; it shall not include courses of a vocational training nature and shall not include courses deemed nonessential to the accrediting or the approval of private schools under RCW 28A.305.130.~~

~~(3) The superintendent of public instruction shall certify an education center only upon application and (a) determination that such school comes within the definition thereof as set forth in subsection (1) of this section and (b) demonstration on the basis of actual educational performance of such applicants' students which shows after consideration of their students' backgrounds, educational gains that are a direct result of the applicants' educational program. Such certification may be withdrawn if the superintendent finds that a center fails to provide adequate instruction in basic academic skills. No education center certified by the superintendent of public instruction pursuant to this section shall be deemed a common school under RCW 28A.150.020 or a private school for the purposes of RCW 28A.195.010 through 28A.195.050~~)).

NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.205 RCW to read as follows:

(1) The office of the superintendent of public instruction may approve an applicant as an education center only after a determination that:

(a) The applicant meets the definition of an education center under RCW 28A.205.010; and

(b) The students of the applicant have made educational gains that are a direct result of the applicant's educational program, where the determination is based on the actual educational performance of the students, after considering each student's background.

(2) The office of the superintendent of public instruction may suspend, revoke, or refuse to renew approval of an education center if the education center fails to provide adequate instruction in basic academic skills, fails to adhere to federal laws, especially civil rights laws, fails to comply with health and safety requirements, or fails to comply with provisions of its contract with a school district.

(3) The office of the superintendent of public instruction must prohibit approved education centers from charging tuition or fees to students placed in the education center by a school district.

(4) The office of the superintendent of public instruction must encourage school districts to cooperate with education centers.

(5) An education center approved by the office of the superintendent of public instruction under this section is not a common school under RCW 28A.150.020.

(6) The approval of an education center that is a private school in Washington approved by the state board of education under chapter 28A.195 RCW is limited to the program of special education and related services provided to students with disabilities placed in the education center by the school district.

**Sec. 5.** RCW 28A.155.060 and 2007 c 115 s 6 are each amended to read as follows:

(1) For the purpose of carrying out the provisions of RCW 28A.155.020 through 28A.155.050, the board of directors of every school district shall be authorized to contract with ((~~agencies approved by the superintendent of public instruction for operating special education programs for students with disabilities. Approval standards for such agencies shall conform substantially with those of special education programs in the common schools~~))education centers approved under subsection (2) of this section to provide special education and related services to students with disabilities placed in the education center by the school district.

(2)(a) The office of the superintendent of public instruction must create an application process to approve education centers to contract with school districts to provide special education and related services to students with disabilities placed in the education center by a school district. Education centers may be approved for a period of up to three years.

(b) To qualify for approval, an education center must, at a minimum, meet the following requirements:

(i) Acknowledge that it can meet all contract elements established in subsection (3)(a) of this section;

(ii)(A) For an education center operating as a school, either obtain approval by the state board of education under chapter 28A.195 RCW to operate as a private school in Washington or obtain approval by the state education agency of the state in which the education center is located; and (B) for education centers that operate a program of education within a nonschool facility, comply with facility licensing requirements of the state in which the education center is located;

(iii) Employ or contract with: At least one licensed teacher with a special education endorsement; other licensed teachers; and related services staff who meet the licensing requirements for their profession;

(iv) Meet applicable fire codes of the local or state fire marshal and applicable health and safety standards;

(v) Demonstrate through audits that it is financially stable and has accounting systems that allow for separation of school district funds, including financial safeguards in place to track revenues and expenditures associated with contracted placements to ensure that funds are used to provide special education services to students;

(vi) Demonstrate that it has procedures in place that address staff hiring and contracting, including checking personal and professional references for employees, conducting criminal background checks in accordance with RCW 28A.400.303, and scheduling regular staff evaluations that address staff competencies;

(vii) Demonstrate that staff of the education center are regularly trained on the following topics:

(A) Constitutional and civil rights of children in schools;

(B) Child and adolescent development;

(C) Trauma-informed approaches to working with youth;

(D) Recognizing and responding to youth mental health issues;

(E) Educational rights of students with disabilities, the relationship of disability to behavior, and best practices for interacting with students with disabilities;

(F) Cultural competency, diversity, equity, and inclusion, including best practices for interacting with students from particular backgrounds, including English learner, LGBTQ, immigrant, female, and nonbinary students. The terms "cultural competency," "diversity," "equity," and "inclusion" have the same meanings as in RCW 28A.415.443;

(G) De-escalation techniques when working with youth or groups of youth;

(H) Student isolation and restraint requirements under RCW 28A.600.485;

(I) The federal family educational rights and privacy act (Title 20 U.S.C. Sec. 1232g) requirements including limits on access to and dissemination of student records for noneducational purposes; and

(J) Restorative justice principles and practices; and

(viii) Maintain a policy of nondiscrimination and provide procedural safeguards for students eligible for special education services and their families.

(c) Before approving an application under this subsection, the office of the superintendent of public instruction must conduct an on-site visit to ensure that an education center's facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment for students with disabilities placed in the education center by a school district.

(d) The office of the superintendent of public instruction may suspend, revoke, or refuse to renew its approval of an education center if the education center:

(i) Fails to maintain approval standards or fails to comply with all school district contract elements established in subsection (3)(a) of this section;

(ii) Violates the rights of students with disabilities placed in the education center by a school district; or

(iii) Refuses to implement any corrective actions ordered by the office of the superintendent of public instruction.

(e) The office of the superintendent of public instruction must use the data collected to produce the report required under section 7 of this act to identify issues of noncompliance with approval standards and contract elements established in subsection (3)(a) of this section.

(f) The office of the superintendent of public instruction must notify the state board of education if any education center that is also a private school approved by the state board of education under chapter 28A.195 RCW is investigated for noncompliance, is directed to complete corrective action, or fails to maintain approval under this subsection. The state board of education must notify the office of the superintendent of public instruction of any unresolved concerns, deficiencies, or deviations related to an education center that is also a private school approved by the state board of education under chapter 28A.195 RCW.

(g)(i) The office of the superintendent of public instruction must develop and publish on its website a complaint process for individuals to report noncompliance or violations of student rights at education centers.

(ii) The office of the superintendent of public instruction must use the complaint process to identify and address patterns of misconduct at education centers, including issuing corrective action or revoking approval under this subsection.

(3)(a) A school district that chooses to contract with an education center as authorized under subsection (1) of this section must enter into a written contract with the education center to establish the responsibilities of the school district and the education center and set forth the rights of students with disabilities placed in the education center by the school district as a means of providing special education and related services. The contract must include, at a minimum, the following elements:

(i) The names of the parties involved and the name of the student or students with disabilities placed in the education center by the school district;

(ii) The locations and settings of the services to be provided;

(iii) A description of the services to be provided, including access to state learning standards adopted under RCW 28A.655.070;

(iv) The total contract cost and applicable charge and reimbursement systems, including billing and payment procedures;

(v) Acknowledgment that the education center has a list of each qualified staff member providing special education and related services and a copy of the license or credential that qualifies each staff member to provide those services;

(vi) Acknowledgment that the school district and education center have clearly established their respective responsibilities and processes for data collection and reporting for students;

(vii) Acknowledgment that the education center must comply with student isolation and restraint requirements under RCW 28A.600.485;

(viii) Acknowledgment that the education center must notify the school district and the office of the superintendent of public instruction of any program, staffing, or facility changes that may affect the agency's ability to provide contracted services;

(ix) Acknowledgment that the education center must comply with all relevant Washington state and federal laws that are applicable to the school district; and

(x) Acknowledgment that the school district must provide the office of the superintendent of public instruction with the opportunity to review the contract and related documentation upon request.

(b) A school district contracting with an education center must conduct an annual on-site visit to ensure that an education center's facilities, staffing levels, and procedural safeguards are sufficient to provide a safe and appropriate learning environment and meet the unique needs of the students with disabilities placed in the education center by the school district.

(c) A school district contracting with an education center must remain responsible for ensuring that the students with disabilities placed in the education center by the school district are:

(i) Provided a free appropriate public education in accordance with the federal individuals with disabilities education act, Title 20 U.S.C. Sec. 1400 et seq. and this chapter;

(ii) Provided with special education and related services at no cost to the student's parents and in conformance with an individualized education program as required by law, including evaluations and individualized education program team meetings that meet all applicable requirements;

(iii) Provided with an opportunity to participate in Washington state and school district assessments and an opportunity to fulfill the requirements to receive a Washington state diploma; and

(iv) Provided at least the minimum instructional hours and days required under RCW 28A.150.220.

(d) A school district must provide the following documents to the parents or guardians of the student being served by an education center:

(i) A summary of the school district and education center's responsibilities and processes for reporting incidents of student isolation and restraint under RCW 28A.600.485; and

(ii) A copy of the complaint process published under subsection (2)(g) of this section.

(4) For the purpose of this section, "education center" means an education center, as defined in RCW 28A.205.010, approved by the office of the superintendent of public instruction under subsection (2) of this section.

**Sec. 6.** RCW 28A.155.210 and 2013 c 202 s 3 are each amended to read as follows:

A ((~~school that is required to develop an~~))student's individualized education program ((~~as required by federal law~~)) must include ((~~within the plan~~)) procedures for notification of a parent or guardian regarding the use of restraint or isolation under RCW 28A.600.485. If a student is served by an education center under RCW 28A.155.060, the student's individualized education program must also specify any additional procedures required to ensure the education center fully complies with RCW 28A.600.485.

NEW SECTION. **Sec. 7.** A new section is added to chapter 28A.155 RCW to read as follows:

(1) Beginning December 1, 2023, and in compliance with RCW 43.01.036, the office of the superintendent of public instruction must annually submit a report to the education committees of the legislature regarding student placements at education centers under RCW 28A.155.060. A summary of the report, including a link to the full report content, must also be posted on the office of the superintendent of public instruction's website. The report must include:

(a) The academic progress of students receiving special education services from education centers, using the results of the two most recent state assessments;

(b) The graduation rates of students who have received special education services from education centers;

(c) The rate at which students receiving special education services from education centers return to their resident school districts;

(d) Data on student restraint and isolation incidents, discipline, and attendance at education centers; and

(e) Any corrective action or change in an education center's approval status, as ordered by the office of the superintendent of public instruction.

(2) The data published under subsection (1) of this section must be disaggregated by education center when it is possible to do so without disclosing, directly or indirectly, a student's personally identifiable information as protected under the federal family educational rights and privacy act (Title 20 U.S.C. Sec. 1232g).

NEW SECTION. **Sec. 8.** The following acts or parts of acts are each repealed:

(1) RCW 28A.205.020 (Common school dropouts—Reimbursement) and 1999 c 348 s 3, 1997 c 265 s 7, 1993 c 211 s 2, 1990 c 33 s 181, 1979 ex.s. c 174 s 1, & 1977 ex.s. c 341 s 2;

(2) RCW 28A.205.030 (Reentry of prior dropouts into common schools, rules—Eligibility for test to earn a high school equivalency certificate) and 2013 c 39 s 6;

(3) RCW 28A.205.040 (Fees—Rules—Priority for payment—Review of records) and 2013 c 39 s 7, 2006 c 263 s 412, 1999 c 348 s 4, 1990 c 33 s 183, 1979 ex.s. c 174 s 2, & 1977 ex.s. c 341 s 4;

(4) RCW 28A.205.070 (Allocation of funds—Criteria—Duties of superintendent) and 2006 c 263 s 409, 1993 c 211 s 6, 1990 c 33 s 185, & 1985 c 434 s 3;

(5) RCW 28A.205.080 (Legislative findings—Distribution of funds—Cooperation with school districts) and 1997 c 265 s 8, 1993 c 211 s 7, 1990 c 33 s 186, & 1987 c 518 s 220; and

(6) RCW 28A.205.090 (Inclusion of education centers program in biennial budget request—Quarterly plans—Funds—Payment) and 1993 c 211 s 8, 1990 c 33 s 187, & 1985 c 434 s 4.

NEW SECTION. **Sec. 9.** 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."

Correct the title.

Signed by Representatives Santos, Chair; Shavers, Vice Chair; Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bergquist; Callan; Eslick; Harris; McClintock; Ortiz-Self; Pollet; Sandlin; Steele; Stonier and Timmons.

Referred to Committee on Appropriations

March 28, 2023

SB 5331 Prime Sponsor, Senator Conway: Concerning job search requirements for unemployment insurance benefits. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass. Signed by Representatives Berry, Chair; Fosse, Vice Chair; Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske; Connors; Doglio; Ormsby and Ortiz-Self.

Referred to Committee on Rules for second reading

March 27, 2023

SSB 5405 Prime Sponsor, Labor & Commerce: Modifying the liquor and cannabis board's subpoena authority. Reported by Committee on Regulated Substances & Gaming

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 66.08.145 and 2019 c 445 s 201 are each amended to read as follows:

(1) ((~~The~~))Subject to subsection (2) of this section, the liquor and cannabis board may issue subpoenas in connection with any investigation, hearing, or proceeding for the production of books, records, and documents held under this chapter or

chapters 69.50, 69.51A, 70.155, 70.158, 70.345, 82.24, 82.26, and 82.25 RCW, and books and records of common carriers as defined in RCW 81.80.010, or vehicle rental agencies, relating to the transportation or possession of cannabis, cigarettes, vapor products, or other tobacco products.

(2)(a) Prior to signing, issuing, or serving a subpoena on or after the effective date of this section, the liquor and cannabis board shall, at a minimum, first attempt to obtain production of the books, records, or documents by:

(i) An informal investigative contact; and

(ii) Regular mail and certified mail.

(b) A subpoena under this section may be served by regular mail and certified mail or in person by either:

(i) An enforcement officer of the liquor and cannabis board who graduated from the Washington state criminal justice training commission and complies with (c) of this subsection (2); or

(ii) A private investigator licensed under chapter 18.165 RCW who complies with (c) of this subsection (2).

(c) Any individual signing, issuing, or serving a subpoena for the liquor and cannabis board on or after the effective date of this section must complete training on unconscious bias.

(d) Information about how to challenge the subpoena must be provided in writing to the person subject to the subpoena with the service of a subpoena under this section.

(e) The liquor and cannabis board shall sign, issue, and serve subpoenas under this section through a uniform process and procedures.

(f) Except as otherwise provided in this section, the liquor and cannabis board is subject to the requirements and duties with respect to subpoenas imposed under Washington state superior court civil rules in effect at the time of issuance of the subpoena, regarding:

(i) The form, issuance, and service of subpoenas; and

(ii) The duty to take responsible steps to avoid imposing undue burden or expense on a person subject to the subpoena.

(g) The liquor and cannabis board may designate individuals authorized to sign subpoenas.

(3) If any person is served a subpoena from the board for the production of records, documents, and books, and fails or refuses to obey the subpoena for the production of records, documents, and books when required to do so, the person is subject to proceedings for contempt, and the board may institute contempt of court proceedings in the superior court of Thurston county or in the county in which the person resides.

NEW SECTION. **Sec. 2.** (1) The liquor and cannabis board shall submit an annual report to the legislature and the governor, by the dates specified in subsection (2) of this section, with information about the subpoenas the board issued and served in the preceding year under RCW 66.08.145. The reports required under this section must include, but are not limited to, the following information regarding subpoenas issued and served in the preceding year:

(a) The total number of subpoenas issued and served by the liquor and cannabis board;

(b) A comparison of how many subpoenas were issued and served in connection with investigations related to cannabis, liquor, cigarettes, vapor products, and tobacco products;

(c) How many subpoenas were issued and served to, or were related to an investigation of, a social equity applicant as defined in RCW 69.50.335 or a licensee who is licensed through the cannabis social equity program;

(d) The numbers of subpoenas served in person compared to subpoenas served by regular mail and certified mail;

(e) How many of the subpoenas successfully resulted in the production of the books, records, or documents sought by the liquor and cannabis board;

(f) How many contempt of court proceedings the liquor and cannabis board instituted for the failure or refusal to obey a subpoena; and

(g) A summary of sanctions imposed, or orders issued, by courts in any contempt of court proceedings initiated by the liquor and cannabis board after a person fails or refuses to obey a subpoena for the production of records, books, or documents.

(2) Reports under this section are due to the governor and the appropriate committees of the legislature by July 1, 2024, and by July 1st of each year thereafter, with a final report due by July 1, 2028.

(3) This section expires on June 30, 2029."

Correct the title.

Signed by Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Cheney; Morgan; Orwall; Reeves; Walsh and Waters.

Referred to Committee on Rules for second reading

March 28, 2023

SSB 5436 Prime Sponsor, Law & Justice: Concerning transfers of firearms to museums and historical societies. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 9.41.113 and 2019 c 3 s 11 are each amended to read as follows:

(1) All firearm sales or transfers, in whole or part in this state including without limitation a sale or transfer where either the purchaser or seller or transferee or transferor is in Washington, shall be subject to background checks unless specifically exempted by state or federal law. The background check requirement applies to all sales or transfers including, but not limited to, sales and transfers

through a licensed dealer, at gun shows, online, and between unlicensed persons.

(2) No person shall sell or transfer a firearm unless:

(a) The person is a licensed dealer;

(b) The purchaser or transferee is a licensed dealer; or

(c) The requirements of subsection (3) of this section are met.

(3) Where neither party to a prospective firearms transaction is a licensed dealer, the parties to the transaction shall complete the sale or transfer through a licensed dealer as follows:

(a) The seller or transferor shall deliver the firearm to a licensed dealer to process the sale or transfer as if it is selling or transferring the firearm from its inventory to the purchaser or transferee, except that the unlicensed seller or transferor may remove the firearm from the business premises of the licensed dealer while the background check is being conducted. If the seller or transferor removes the firearm from the business premises of the licensed dealer while the background check is being conducted, the purchaser or transferee and the seller or transferor shall return to the business premises of the licensed dealer and the seller or transferor shall again deliver the firearm to the licensed dealer prior to completing the sale or transfer.

(b) Except as provided in (a) of this subsection, the licensed dealer shall comply with all requirements of federal and state law that would apply if the licensed dealer were selling or transferring the firearm from its inventory to the purchaser or transferee, including but not limited to conducting a background check on the prospective purchaser or transferee in accordance with federal and state law requirements, fulfilling all federal and state recordkeeping requirements, and complying with the specific requirements and restrictions on semiautomatic assault rifles in chapter 3, Laws of 2019.

(c) The purchaser or transferee must complete, sign, and submit all federal, state, and local forms necessary to process the required background check to the licensed dealer conducting the background check.

(d) If the results of the background check indicate that the purchaser or transferee is ineligible to possess a firearm, then the licensed dealer shall return the firearm to the seller or transferor.

(e) The licensed dealer may charge a fee that reflects the fair market value of the administrative costs and efforts incurred by the licensed dealer for facilitating the sale or transfer of the firearm.

(4) This section does not apply to:

(a) A transfer between immediate family members, which for this subsection shall be limited to spouses, domestic partners, parents, parents-in-law, children, siblings, siblings-in-law, grandparents, grandchildren, nieces, nephews, first cousins, aunts, and uncles, that is a bona fide gift or loan;

(b) The sale or transfer of an antique firearm;

(c) A temporary transfer of possession of a firearm if such transfer is necessary to prevent imminent death or great bodily harm to the person to whom the firearm is transferred if:

(i) The temporary transfer only lasts as long as immediately necessary to prevent such imminent death or great bodily harm; and

(ii) The person to whom the firearm is transferred is not prohibited from possessing firearms under state or federal law;

(d) A temporary transfer of possession of a firearm if: (i) The transfer is intended to prevent suicide or self-inflicted great bodily harm; (ii) the transfer lasts only as long as reasonably necessary to prevent death or great bodily harm; and (iii) the firearm is not utilized by the transferee for any purpose for the duration of the temporary transfer;

(e) Any law enforcement or corrections agency and, to the extent the person is acting within the course and scope of his or her employment or official duties, any law enforcement or corrections officer, United States marshal, member of the armed forces of the United States or the national guard, or federal official;

(f) A federally licensed gunsmith who receives a firearm solely for the purposes of service or repair, or the return of the firearm to its owner by the federally licensed gunsmith;

(g) The temporary transfer of a firearm (i) between spouses or domestic partners; (ii) if the temporary transfer occurs, and the firearm is kept at all times, at an established shooting range authorized by the governing body of the jurisdiction in which such range is located; (iii) if the temporary transfer occurs and the transferee's possession of the firearm is exclusively at a lawful organized competition involving the use of a firearm, or while participating in or practicing for a performance by an organized group that uses firearms as a part of the performance; (iv) to a person who is under ((~~eighteen~~))18 years of age for lawful hunting, sporting, or educational purposes while under the direct supervision and control of a responsible adult who is not prohibited from possessing firearms; (v) under circumstances in which the transferee and the firearm remain in the presence of the transferor; or (vi) while hunting if the hunting is legal in all places where the person to whom the firearm is transferred possesses the firearm and the person to whom the firearm is transferred has completed all training and holds all licenses or permits required for such hunting, provided that any temporary transfer allowed by this subsection is permitted only if the person to whom the firearm is transferred is not prohibited from possessing firearms under state or federal law;

(h) A person who (i) acquired a firearm other than a pistol by operation of law upon the death of the former owner of the firearm or (ii) acquired a pistol by operation of law upon the death of the former owner of the pistol within the preceding ((~~sixty~~))60 days. At the end of the ((~~sixty~~))60-day

period, the person must either have lawfully transferred the pistol or must have contacted the department of licensing to notify the department that he or she has possession of the pistol and intends to retain possession of the pistol, in compliance with all federal and state laws; ((~~or~~))

(i) A sale or transfer when the purchaser or transferee is a licensed collector and the firearm being sold or transferred is a curio or relic; or

(j)(i) A transfer, loan, gift, or bequest to a museum or historical society, or the return of loaned firearm(s) to its lender from a museum or historical society, and museum personnel while acting in the scope of their official duties, provided, however, that before returning a loaned firearm to its lender, a museum or historical society or personnel of the museum or historical society must comply with the requirements of subsection (3) of this section.

(ii) For the purposes of this subsection (j), "museum or historical society" means the same as in RCW 63.26.010 and is designated as a nonprofit organization under section 501(c)(3) of the internal revenue code."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member; Cheney; Entenman; Goodman; Peterson; Rude; Thai and Walen.

Referred to Committee on Rules for second reading

March 28, 2023

2SSB 5438 Prime Sponsor, Ways & Means: Facilitating supportive relationships with family and significant individuals within the behavioral health system. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority shall conduct its oversight of the community behavioral health system in a manner that is aware of, nurtures, and protects significant relationships in the life of behavioral health system clients. These relationships may involve family, friends, and others who play a significant role.

(2) The authority shall consider the following principles when administering programs and contracts and making policy:

(a) Every client should have a caring, compassionate family member involved in and advocating for their best treatment, in collaboration with medical professionals, based on their lifelong role in the person's life and their personal knowledge of their past and present welfare;

(b) Families who desire to be engaged in their children's behavioral health care should be included when it is in the best interest of the client. Parents should be encouraged to be actively engaged in their children's behavioral health care including decision making and have decision-making rights, when appropriate. Family inclusion with disclosure of health information is possible under RCW 70.02.205;

(c) State policy and agency practices must be structured so as not to cause unnecessary trauma to a family. Family members should be able to participate in care decisions with medical experts without fear of loss of safety or residence. Parental rights and responsibilities should never be severed without evidence of abuse or neglect as a means for children to access an appropriate level of services, unless it is in the best interest of the client. It is incumbent on the state in such a situation to find ways to provide adequate services while maintaining support for well-bonded families;

(d) Whenever it is in the best interest of the client, family rights and responsibilities of parents should be maintained by inclusion in appropriate decision making relating to a child's residence, supervision, schooling, education, and health care while a minor or dependent child is placed in behavioral health out-of-home care pursuant to authority programs or contracts;

(e) Within existing legal constraints, the authority should recognize that strong family-like relationships which should be nurtured also arise through nonblood relationships. Consideration of developmental issues should recognize that development continues past the age of 18;

(f) The authority must consider that most effective treatment for a child is frequently whole family treatment. Families need assistance building, reestablishing, and strengthening healthy relationships to maximize recovery and resilience. Every effort should be made to assess and provide for the service needs of family members, either separately or in conjunction with their children or dependents;

(g) Medication use by children should be closely monitored and frequently evaluated, with expert support given to parents to help understand the risks and anticipated benefits of prescribed psychotropic medications; and

(h) The legal system should be employed only as a last resort. Medication management should not be handled through at-risk youth petitions. Advocacy should be employed to minimize court intrusion, such as by releasing restraining orders in behavioral health situations.

(3) The authority shall conduct a review of its policies related to behavioral health by June 30, 2024, in consultation with stakeholders, family members, and peers and identify and eliminate policies that undermine integrity and health of the family or discourage family engagement with service providers. The review may not include policies in support of RCW 7.70.065, 70.02.265, 70.24.110, 71.34.530, 71.34.600, or 71.34.610. The authority may notify the governor and appropriate committees of the

legislature by letter of the completion and outcomes of this review.

NEW SECTION. **Sec. 2.** A new section is added to chapter 72.23 RCW to read as follows:

(1) The department shall administer state hospitals in a manner that is aware of, nurtures, and protects significant relationships in the life of state hospital patients. These relationships may involve family, friends, and others who play a significant role.

(2) The department shall consider the following principles when administering programs and making policy:

(a) Every patient should have a caring, compassionate family member involved in and advocating for their best treatment, in collaboration with medical professionals, based on their lifelong role in the person's life and their personal knowledge of their past and present welfare;

(b) Families who desire to be engaged in their relative's behavioral health care should be included when it is in the best interest of the patient. Parents should be encouraged to be actively engaged in their children's behavioral health care and have decision-making rights, when appropriate. Family inclusion with disclosure of health information is possible under RCW 70.02.205;

(c) State hospital policy and practices must be structured so as not to cause unnecessary trauma to a family. Family members should be able to participate in care decisions with medical experts without fear of reprisal. It is incumbent on the state to find ways to provide adequate services while maintaining support for well-bonded families;

(d) Within existing legal constraints, the department should recognize that strong family-like relationships which should be nurtured also arise through nonblood relationships. Consideration of developmental issues should recognize that development continues past the age of 18;

(e) Whenever it is in the best interest of the patient, family rights and responsibilities of parents should be maintained by inclusion in appropriate decision making relating to a patient's residence, supervision, schooling, education, and health care;

(f) The department must consider the treatment needs of family members and the centrality of family in resilience in recovery for patients. Patients and families need assistance building, reestablishing, and strengthening healthy relationships. Every effort should be made to assess and provide for the needs of family members, either separately or in conjunction with the state hospital patient; and

(g) Medication use by children should be closely monitored and frequently evaluated, with expert support given to parents to help understand the risks and anticipated benefits of prescribed psychotropic medications.

(3) The department shall conduct a review of its policies related to allowing and facilitating family engagement with state hospital patients by June 30, 2024, in consultation with stakeholders, family members, and peers, and identify and eliminate policies that undermine integrity and health of the family or discourage family engagement. The review may not include policies in support of RCW 7.70.065, 70.02.265, 70.24.110, 71.34.530, 71.34.600, or 71.34.610. The department may notify the governor and appropriate committees of the legislature by letter of the completion and outcomes of this review.

NEW SECTION. **Sec. 3.** This act may be known and cited as the family care act.

NEW SECTION. **Sec. 4.** This act does not create a private right of action."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Barnard; Bronoske; Davis; Harris; Macri; Maycumber; Mosbrucker; Orwall; Simmons; Stonier; Thai and Tharinger.

MINORITY recommendation: Without recommendation. Signed by Representative Graham.

Referred to Committee on Appropriations

March 28, 2023

E2SSB 5440 Prime Sponsor, Ways & Means: Providing timely competency evaluations and restoration services to persons suffering from behavioral health disorders. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that defendants referred for services related to competency to stand trial requiring admission into a psychiatric facility are currently facing unprecedented wait times in jail for admission. The situation has been exacerbated by closure of forensic beds and workforce shortages related to COVID-19, and treatment capacity limits related to social distancing requirements. Moreover, a backlog of criminal prosecutions that were held back during the first two years of the pandemic due to capacity limitations in courts, prosecuting attorneys offices, and jails, are now being filed, causing a surge in demand for competency services which exceeds the state's capacity to make a timely response. In partial consequence, as of January 2023, wait times for admission to western state hospital for competency services, directed to be completed within seven days by order of the United States district court for western Washington, have risen to over ten months, while wait times for admission to eastern state hospital for the same services have risen to over five months. The state's forensic bed capacity forecast model indicates that if the state continues to receive competency referrals

from local superior, district, and municipal courts at the same volume, the state will rapidly fall farther behind.

The legislature further finds that historical investments and policy changes have been made in behavioral health services over the past five years, designed to both increase capacity to provide competency to stand trial services and to reduce the need for them by creating opportunities for diversion, prevention, and improved community health. New construction at western state hospital is expected to result in the opening of 58 forensic psychiatric beds in the first quarter of 2023, while emergency community hospital contracts are expected to allow for the discharge or transfer of over 50 civil conversion patients occupying forensic state hospital beds over the same period. Sixteen beds for civil conversion patients will open at Maple Lane school in the first quarter of 2023, with 30 additional beds for patients acquitted by reason of insanity expected to open by late 2023 or early 2024. Over a longer time period, 350 forensic beds are planned to open within a new forensic hospital on western state hospital campus between 2027 and 2029. Policy and budget changes have increased capacity for assisted outpatient treatment, 988 crisis response, use of medication for opioid use disorders in jails and community settings, reentry services, and mental health advance directives, and created new behavioral health facility types, supportive housing, and supportive employment services. Forensic navigator services, outpatient competency restoration programs, and other specialty forensic services are now available and continuing to be deployed in phase two *Trueblood* settlement regions.

The legislature further finds that despite these investments there is a need for everyone to come together to find solutions to both reduce demand for forensic services and to increase their supply. The state needs collaboration from local governments and other entities to identify any and all facilities that can be used to provide services to patients connected to the forensic system, to reduce the flow of competency referrals coming from municipal, district, and superior courts, and to improve availability and effectiveness of behavioral health services provided outside the criminal justice system.

**Sec. 2.** RCW 10.77.010 and 2022 c 288 s 1 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Admission" means acceptance based on medical necessity, of a person as a patient.

(2) "Authority" means the Washington state health care authority.

(3) "Clinical intervention specialist" means a licensed professional with prescribing authority who is employed by or contracted with the department to provide direct services, enhanced oversight and monitoring of the behavioral health status of in-custody defendants who have been referred for evaluation or restoration services related to competency to stand trial and who coordinate treatment options with forensic navigators, the department, and jail health services.

(4) "Commitment" means the determination by a court that a person should be detained for a period of either evaluation or treatment, or both, in an inpatient or a less-restrictive setting.

((~~(4)~~))(5) "Community behavioral health agency" has the same meaning as "licensed or certified behavioral health agency" defined in RCW 71.24.025.

((~~(5)~~))(6) "Conditional release" means modification of a court-ordered commitment, which may be revoked upon violation of any of its terms.

((~~(6)~~))(7) A "criminally insane" person means any person who has been acquitted of a crime charged by reason of insanity, and thereupon found to be a substantial danger to other persons or to present a substantial likelihood of committing criminal acts jeopardizing public safety or security unless kept under further control by the court or other persons or institutions.

((~~(7)~~))(8) "Department" means the state department of social and health services.

((~~(8)~~))(9) "Designated crisis responder" has the same meaning as provided in RCW 71.05.020.

((~~(9)~~))(10) "Detention" or "detain" means the lawful confinement of a person, under the provisions of this chapter, pending evaluation.

((~~(10)~~))(11) "Developmental disabilities professional" means a person who has specialized training and ((~~three years of~~)) experience in directly treating or working with persons with developmental disabilities and is a psychiatrist or psychologist, or a social worker, and such other developmental disabilities professionals as may be defined by rules adopted by the secretary.

((~~(11)~~))(12) "Developmental disability" means the condition as defined in RCW 71A.10.020((~~(5)~~)).

((~~(12)~~))(13) "Discharge" means the termination of hospital medical authority. The commitment may remain in place, be terminated, or be amended by court order.

((~~(13)~~))(14) "Furlough" means an authorized leave of absence for a resident of a state institution operated by the department designated for the custody, care, and treatment of the criminally insane, consistent with an order of conditional release from the court under this chapter, without any requirement that the resident be accompanied by, or be in the custody of, any law enforcement or institutional staff, while on such unescorted leave.

((~~(14)~~))(15) "Genuine doubt as to competency" means that there is reasonable cause to believe, based upon actual interactions with or observations of the defendant or information provided by counsel, that a defendant is incompetent to stand trial.

(16) "Habilitative services" means those services provided by program personnel to assist persons in acquiring and maintaining life skills and in raising their levels of physical, mental, social, and vocational functioning. Habilitative services include education, training for employment, and therapy. The habilitative process shall be

undertaken with recognition of the risk to the public safety presented by the person being assisted as manifested by prior charged criminal conduct.

((~~(15)~~))(17) "History of one or more violent acts" means violent acts committed during: (a) The ten-year period of time prior to the filing of criminal charges; plus (b) the amount of time equal to time spent during the ten-year period in a mental health facility or in confinement as a result of a criminal conviction.

((~~(16)~~))(18) "Immediate family member" means a spouse, child, stepchild, parent, stepparent, grandparent, sibling, or domestic partner.

((~~(17)~~))(19) "Incompetency" means a person lacks the capacity to understand the nature of the proceedings against him or her or to assist in his or her own defense as a result of mental disease or defect.

((~~(18)~~))(20) "Indigent" means any person who is financially unable to obtain counsel or other necessary expert or professional services without causing substantial hardship to the person or his or her family.

((~~(19)~~))(21) "Individualized service plan" means a plan prepared by a developmental disabilities professional with other professionals as a team, for an individual with developmental disabilities, which shall state:

(a) The nature of the person's specific problems, prior charged criminal behavior, and habilitation needs;

(b) The conditions and strategies necessary to achieve the purposes of habilitation;

(c) The intermediate and long-range goals of the habilitation program, with a projected timetable for the attainment;

(d) The rationale for using this plan of habilitation to achieve those intermediate and long-range goals;

(e) The staff responsible for carrying out the plan;

(f) Where relevant in light of past criminal behavior and due consideration for public safety, the criteria for proposed movement to less-restrictive settings, criteria for proposed eventual release, and a projected possible date for release; and

(g) The type of residence immediately anticipated for the person and possible future types of residences.

((~~(20)~~))(22) "Professional person" means:

(a) A psychiatrist licensed as a physician and surgeon in this state who has, in addition, completed three years of graduate training in psychiatry in a program approved by the American medical association or the American osteopathic association and is certified or eligible to be certified by the American board of psychiatry and neurology or the American osteopathic board of neurology and psychiatry;

(b) A psychologist licensed as a psychologist pursuant to chapter 18.83 RCW;

(c) A psychiatric advanced registered nurse practitioner, as defined in RCW 71.05.020; or

(d) A social worker with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

((~~(21)~~))(23) "Release" means legal termination of the court-ordered commitment under the provisions of this chapter.

((~~(22)~~))(24) "Secretary" means the secretary of the department of social and health services or his or her designee.

((~~(23)~~))(25) "Treatment" means any currently standardized medical or mental health procedure including medication.

((~~(24)~~))(26) "Treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, and by treatment facilities. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department, behavioral health administrative services organizations, managed care organizations, or a treatment facility if the notes or records are not available to others.

((~~(25)~~))(27) "Violent act" means behavior that: (a)(i) Resulted in; (ii) if completed as intended would have resulted in; or (iii) was threatened to be carried out by a person who had the intent and opportunity to carry out the threat and would have resulted in, homicide, nonfatal injuries, or substantial damage to property; or (b) recklessly creates an immediate risk of serious physical injury to another person. As used in this subsection, "nonfatal injuries" means physical pain or injury, illness, or an impairment of physical condition. "Nonfatal injuries" shall be construed to be consistent with the definition of "bodily injury," as defined in RCW 9A.04.110.

**Sec. 3.** RCW 10.77.060 and 2022 c 288 s 2 are each amended to read as follows:

(1)(a) Whenever a defendant has pleaded not guilty by reason of insanity, ((~~or there is reason to doubt his or her competency,~~)) the court on its own motion or on the motion of any party shall either appoint or request the secretary to designate a qualified expert or professional person, who shall be approved by the prosecuting attorney, to evaluate and report upon the mental condition of the defendant.

(b)(i) Whenever there is a doubt as to competency, the court on its own motion or on the motion of any party shall first review the allegations of incompetency. The court shall make a determination of whether sufficient facts have been provided to form a genuine doubt as to competency based on information provided by counsel, judicial colloquy, or direct observation of the defendant. If a genuine doubt as to competency exists, the court shall either appoint or request the secretary to designate a qualified expert or professional person, who shall be approved by the prosecuting attorney, to evaluate and report upon the mental condition of the defendant.

(ii) Nothing in this subsection (1)(b) is intended to require a waiver of attorney-client privilege. Defense counsel may meet the requirements under this subsection (1)

(b) by filing a declaration stating that they have reason to believe that a competency evaluation is necessary, and stating the basis on which the defendant is believed to be incompetent, without further detail required.

(c) The signed order of the court shall serve as authority for the evaluator to be given access to all records held by any mental health, medical, long-term services or supports, educational, or correctional facility that relate to the present or past mental, emotional, or physical condition of the defendant. If the court is advised by any party that the defendant may have a developmental disability, the evaluation must be performed by a developmental disabilities professional and the evaluator shall have access to records of the developmental disabilities administration of the department. If the court is advised by any party that the defendant may have dementia or another relevant neurocognitive disorder, the evaluator shall have access to records of the aging and long-term support administration of the department.

((~~(c)~~))(d) The evaluator shall assess the defendant in a jail, detention facility, in the community, or in court to determine whether a period of inpatient commitment will be necessary to complete an accurate evaluation. If inpatient commitment is needed, the signed order of the court shall serve as authority for the evaluator to request the jail or detention facility to transport the defendant to a hospital or secure mental health facility for a period of commitment not to exceed fifteen days from the time of admission to the facility. Otherwise, the evaluator shall complete the evaluation.

((~~(d)~~))(e) The court may commit the defendant for evaluation to a hospital or secure mental health facility without an assessment if: (i) The defendant is charged with murder in the first or second degree; (ii) the court finds that it is more likely than not that an evaluation in the jail will be inadequate to complete an accurate evaluation; or (iii) the court finds that an evaluation outside the jail setting is necessary for the health, safety, or welfare of the defendant. The court shall not order an initial inpatient evaluation for any purpose other than a competency evaluation.

((~~(e)~~))(f) The order shall indicate whether, in the event the defendant is committed to a hospital or secure mental health facility for evaluation, all parties agree to waive the presence of the defendant or to the defendant's remote participation at a subsequent competency hearing or presentation of an agreed order if the recommendation of the evaluator is for continuation of the stay of criminal proceedings, or if the opinion of the evaluator is that the defendant remains incompetent and there is no remaining restoration period, and the hearing is held prior to the expiration of the authorized commitment period.

((~~(f)~~))(g) When a defendant is ordered to be evaluated under this subsection (1), or when a party or the court determines at first appearance that an order for evaluation under this subsection will be requested or ordered if charges are pursued, the court may delay granting bail until the defendant has been evaluated for competency or sanity and appears before the court. Following the evaluation, in determining bail the court shall consider: (i) Recommendations of the evaluator regarding the defendant's competency, sanity, or diminished capacity; (ii) whether the defendant has a recent history of one or more violent acts; (iii) whether the defendant has previously been acquitted by reason of insanity or found incompetent; (iv) whether it is reasonably likely the defendant will fail to appear for a future court hearing; and (v) whether the defendant is a threat to public safety.

(h) If the defendant ordered to be evaluated under this subsection (1) is charged with a serious traffic offense under RCW 9.94A.030, or a felony version of a serious traffic offense, the prosecutor may make a motion to modify the defendant's conditions of release to include a condition prohibiting the defendant from driving during the pendency of the competency evaluation period.

(2) The court may direct that a qualified expert or professional person retained by or appointed for the defendant be permitted to witness the evaluation authorized by subsection (1) of this section, and that the defendant shall have access to all information obtained by the court appointed experts or professional persons. The defendant's expert or professional person shall have the right to file his or her own report following the guidelines of subsection (3) of this section. If the defendant is indigent, the court shall upon the request of the defendant assist him or her in obtaining an expert or professional person.

(3) The report of the evaluation shall include the following:

(a) A description of the nature of the evaluation;

(b) A diagnosis or description of the current mental status of the defendant;

(c) If the defendant suffers from a mental disease or defect, or has a developmental disability, an opinion as to competency;

(d) If the defendant suffers from an intellectual or developmental disability, traumatic brain injury, or dementia, an opinion as to restorability;

(e) If the defendant has indicated his or her intention to rely on the defense of insanity pursuant to RCW 10.77.030, and an evaluation and report by an expert or professional person has been provided concluding that the defendant was criminally insane at the time of the alleged offense, an opinion as to the defendant's sanity at the time of the act, and an opinion as to whether the defendant presents a substantial danger to other persons, or presents a substantial likelihood of committing criminal acts jeopardizing public safety or security, unless kept under further control by the court or other persons or institutions, provided that no opinion shall be rendered under this subsection (3)((~~(d)~~))(e) unless the evaluator or court determines

that the defendant is competent to stand trial;

((~~(c)~~)) (f) When directed by the court, if an evaluation and report by an expert or professional person has been provided concluding that the defendant lacked the capacity at the time of the offense to form the mental state necessary to commit the charged offense, an opinion as to the capacity of the defendant to have a particular state of mind which is an element of the offense charged;

((~~(f)~~)) (g) An opinion as to whether the defendant should be evaluated by a designated crisis responder under chapter 71.05 RCW.

(4) The secretary may execute such agreements as appropriate and necessary to implement this section and may choose to designate more than one evaluator.

(5) In the event that a person remains in jail more than 21 days after service on the department of a court order to transport the person to a facility designated by the department for inpatient competency restoration treatment, upon the request of any party and with notice to all parties, the department shall perform a competency to stand trial status check to determine if the circumstances of the person have changed such that the court should authorize an updated competency evaluation. The status update shall be provided to the parties and the court. Status updates may be provided at reasonable intervals.

(6) If a finding of the competency evaluation under this section or under RCW 10.77.084 is that the individual is not competent due to an intellectual or developmental disability or dementia, the evaluator shall notify the department, which shall refer the individual to the developmental disabilities administration or the aging and long-term support administration of the department for review of eligibility for services. Information about availability of services must be provided to the forensic navigator.

(7) If the expert or professional person appointed to perform a competency evaluation in the community is not able to complete the evaluation after two attempts at scheduling with the defendant, the department shall submit a report to the court and parties and include a date and time for another evaluation which must be at least four weeks later. The court shall provide notice to the defendant of the date and time of the evaluation. If the defendant fails to appear at that appointment, the court shall issue a warrant for the failure to appear and recall the order for competency evaluation.

**Sec. 4.** RCW 10.77.068 and 2022 c 288 s 3 are each amended to read as follows:

(1)(a) The legislature establishes a performance target of seven days or fewer to extend an offer of admission to a defendant in pretrial custody for inpatient competency evaluation or inpatient competency restoration services, when access to the services is legally authorized.

(b) The legislature establishes a performance target of 14 days or fewer for the following services related to competency to stand trial, when access to the services is legally authorized:

(i) To complete a competency evaluation in jail and distribute the evaluation report; and

(ii) To extend an offer of admission to a defendant ordered to be committed to ((~~a state hospital~~))the department for placement in a facility operated by or contracted by the department following dismissal of charges based on incompetency to stand trial under RCW 10.77.086.

(c) The legislature establishes a performance target of 21 days or fewer to complete a competency evaluation in the community and distribute the evaluation report.

(2)(a) A maximum time limit of seven days as measured from the department's receipt of the court order, or a maximum time limit of 14 days as measured from signature of the court order, whichever is shorter, is established to complete the services specified in subsection (1)(a) of this section, subject to the limitations under subsection (9) of this section.

(b) A maximum time limit of 14 days as measured from the department's receipt of the court order, or a maximum time limit of 21 days as measured from signature of the court order, whichever is shorter, is established to complete the services specified in subsection (1)(b) of this section, subject to the limitations under subsection (9) of this section.

(3) The legislature recognizes that these targets may not be achievable in all cases, but intends for the department to manage, allocate, and request appropriations for resources in order to meet these targets whenever possible without sacrificing the accuracy and quality of competency services.

(4) It shall be a defense to an allegation that the department has exceeded the maximum time limits for completion of competency services described in subsection (2) of this section if the department can demonstrate by a preponderance of the evidence that the reason for exceeding the maximum time limits was outside of the department's control including, but not limited to, the following circumstances:

(a) Despite a timely request, the department has not received necessary medical information regarding the current medical status of a defendant;

(b) The individual circumstances of the defendant make accurate completion of an evaluation of competency to stand trial dependent upon review of mental health, substance use disorder, or medical history information which is in the custody of a third party and cannot be immediately obtained by the department, provided that completion shall not be postponed for procurement of information which is merely supplementary;

(c) Additional time is needed for the defendant to no longer show active signs and symptoms of impairment related to substance use so that an accurate evaluation may be completed;

(d) The defendant is medically unavailable for competency evaluation or admission to a facility for competency restoration;

(e) Completion of the referral requires additional time to accommodate the availability or participation of counsel, court personnel, interpreters, or the defendant;

(f) The defendant asserts legal rights that result in a delay in the provision of competency services; or

(g) An unusual spike in the receipt of evaluation referrals or in the number of defendants requiring restoration services has occurred, causing temporary delays until the unexpected excess demand for competency services can be resolved.

(5) The department shall provide written notice to the court when it will not be able to meet the maximum time limits under subsection (2) of this section and identify the reasons for the delay and provide a reasonable estimate of the time necessary to complete the competency service. Good cause for an extension for the additional time estimated by the department shall be presumed absent a written response from the court or a party received by the department within seven days.

(6) The department shall:

(a) Develop, document, and implement procedures to monitor the clinical status of defendants admitted to a state hospital for competency services that allow the state hospital to accomplish early discharge for defendants for whom clinical objectives have been achieved or may be achieved before expiration of the commitment period;

(b) Investigate the extent to which patients admitted to a state hospital under this chapter overstay time periods authorized by law and take reasonable steps to limit the time of commitment to authorized periods; and

(c) Establish written standards for the productivity of forensic evaluators and utilize these standards to internally review the performance of forensic evaluators.

(7) Following any quarter in which a state hospital has failed to meet one or more of the performance targets or maximum time limits under subsection (1) or (2) of this section, the department shall report to the executive and the legislature the extent of this deviation and describe any corrective action being taken to improve performance. This report shall be made publicly available. An average may be used to determine timeliness under this subsection.

(8) The department shall report annually to the legislature and the executive on the timeliness of services related to competency to stand trial and the timeliness with which court referrals accompanied by charging documents, discovery, and criminal history information are provided to the department relative to the signature date of the court order. The report must be in a form that is accessible to the public and that breaks down performance by county.

(9) This section does not create any new entitlement or cause of action related to the timeliness of competency to stand trial services, nor can it form the basis for contempt sanctions under chapter 7.21 RCW or a motion to dismiss criminal charges.

**Sec. 5.** RCW 10.77.074 and 2019 c 326 s 2 are each amended to read as follows:

(1) Subject to the limitations described in subsection (2) of this section, a court may appoint an impartial forensic navigator employed by or contracted by the department to assist individuals who have been referred for competency evaluation and shall appoint a forensic navigator in circumstances described under section 9 of this act.

(2) A forensic navigator must assist the individual to access services related to diversion and community outpatient competency restoration. The forensic navigator must assist the individual, prosecuting attorney, defense attorney, and the court to understand the options available to the individual and be accountable as an officer of the court for faithful execution of the responsibilities outlined in this section.

(3) The duties of the forensic navigator include, but are not limited to, the following:

(a) To collect relevant information about the individual, including behavioral health services and supports available to the individual that might support placement in outpatient restoration, diversion, or some combination of these;

(b) To meet with, interview, and observe the individual;

(c) To assess the individual for appropriateness for assisted outpatient treatment under chapter 71.05 RCW;

(d) To present information to the court in order to assist the court in understanding the treatment options available to the individual to support the entry of orders for diversion from the forensic mental health system or for community outpatient competency restoration, ((~~and~~)) to facilitate that transition; ((~~and~~ ~~(d)~~))(e) To provide regular updates to the court and parties of the status of the individual's participation in diversion services and be responsive to inquiries by the parties about treatment status;

(f) When the individual is ordered to receive community outpatient restoration, to provide services to the individual including:

(i) Assisting the individual with attending appointments and classes relating to outpatient competency restoration;

(ii) Coordinating access to housing for the individual;

(iii) Meeting with the individual on a regular basis;

(iv) Providing information to the court concerning the individual's progress and compliance with court-ordered conditions of release, which may include appearing at court hearings to provide information to the court;

(v) Coordinating the individual's access to community case management services and mental health services;

(vi) Assisting the individual with obtaining prescribed medication and encouraging adherence with prescribed medication;

(vii) Assessing the individual for appropriateness for assisted outpatient treatment under chapter 71.05 RCW and coordinating the initiation of an assisted

outpatient treatment order if appropriate as part of a diversion program plan;

(viii) Planning for a coordinated transition of the individual to a case manager in the community behavioral health system;

((~~(viii)~~)) (ix) Attempting to follow-up with the individual to check whether the meeting with a community-based case manager took place;

((~~(ix)~~)) (x) When the individual is a high utilizer, attempting to connect the individual with high utilizer services; and

((~~(x)~~)) (xi) Attempting to check up on the individual at least once per month for up to sixty days after coordinated transition to community behavioral health services, without duplicating the services of the community-based case manager;

(g) If the individual is an American Indian or Alaska Native who receives medical, behavioral health, housing, or other supportive services from a tribe within this state, to notify and coordinate with the tribe and Indian health care provider. Notification shall be made in person or by telephonic or electronic communication to the tribal contact listed in the authority's tribal crisis coordination plan as soon as possible.

(4) Forensic navigators may submit ((~~nonclinical~~)) recommendations to the court regarding treatment and restoration options for the individual, which the court may consider and weigh in conjunction with the recommendations of all of the parties.

(5) Forensic navigators shall be deemed officers of the court for the purpose of immunity from civil liability.

(6) The signed order for competency evaluation from the court shall serve as authority for the forensic navigator to be given access to all records held by a behavioral health, educational, or law enforcement agency or a correctional facility that relates to an individual. Information that is protected by state or federal law, including health information, shall not be entered into the court record without the consent of the individual or their defense attorney.

(7) Admissions made by the individual in the course of receiving services from the forensic navigator may not be used against the individual in the prosecution's case in chief.

(8) A court may not issue an order appointing a forensic navigator unless the department certifies that there is adequate forensic navigator capacity to provide these services at the time the order is issued.

**Sec. 6.** RCW 10.77.084 and 2016 sp.s. c 29 s 410 are each amended to read as follows:

(1)(a) If at any time during the pendency of an action and prior to judgment the court finds, following a report as provided in RCW 10.77.060, a defendant is incompetent, the court shall order the proceedings against the defendant be stayed except as provided in subsection (4) of this section. Beginning October 1, 2023, if the defendant is charged with a serious traffic offense under RCW 9.94A.030, or a felony version of a serious traffic offense, the court may order the clerk to transmit an order to the department of licensing for revocation of the defendant's driver's license for a period of one year.

(b) The court may order a defendant who has been found to be incompetent to undergo competency restoration treatment at a facility designated by the department if the defendant is eligible under RCW 10.77.086 or 10.77.088. At the end of each competency restoration period or at any time a professional person determines competency has been, or is unlikely to be, restored, the defendant shall be returned to court for a hearing, except that if the opinion of the professional person is that the defendant remains incompetent and the hearing is held before the expiration of the current competency restoration period, the parties may agree to waive the defendant's presence, to remote participation by the defendant at a hearing, or to presentation of an agreed order in lieu of a hearing. The facility shall promptly notify the court and all parties of the date on which the competency restoration period commences and expires so that a timely hearing date may be scheduled.

(c) The court's order for inpatient restoration, shall specify whether the department has the authority to change the defendant's placement to a step-down facility or outpatient competency restoration program if the department determines that such placement is clinically appropriate given the defendant's progress in restoration services.

(d) If, following notice and hearing or entry of an agreed order under (b) of this subsection, the court finds that competency has been restored, the court shall lift the stay entered under (a) of this subsection. If the court finds that competency has not been restored, the court shall dismiss the proceedings without prejudice, except that the court may order a further period of competency restoration treatment if it finds that further treatment within the time limits established by RCW 10.77.086 or 10.77.088 is likely to restore competency, and a further period of treatment is allowed under RCW 10.77.086 or 10.77.088.

((~~(d)~~)) (e) If at any time during the proceeding the court finds, following notice and hearing, a defendant is not likely to regain competency, the court shall dismiss the proceedings without prejudice and refer the defendant for civil commitment evaluation or proceedings if appropriate under RCW 10.77.065, 10.77.086, or 10.77.088.

(f) Beginning October 1, 2023, if the court issues an order directing revocation of the defendant's driver's license under (a) of this subsection, and the court subsequently finds that the defendant's competency has been restored, the court shall order the clerk to transmit an order to the department of licensing for reinstatement of the defendant's driver's license. The court may direct the clerk to transmit an order reinstating the defendant's driver's license before the end of one year for good cause upon the petition of the defendant.

(2) If the defendant is referred for evaluation by a designated crisis responder under this chapter, the designated crisis responder shall provide prompt written notification of the results of the evaluation and whether the person was detained. The notification shall be provided to the court in which the criminal action was pending, the prosecutor, the defense attorney in the criminal action, and the facility that evaluated the defendant for competency.

(3) The fact that the defendant is unfit to proceed does not preclude any pretrial proceedings which do not require the personal participation of the defendant.

(4) A defendant receiving medication for either physical or mental problems shall not be prohibited from standing trial, if the medication either enables the defendant to understand the proceedings against him or her and to assist in his or her own defense, or does not disable him or her from so understanding and assisting in his or her own defense.

(5) At or before the conclusion of any commitment period provided for by this section, the facility providing evaluation and treatment shall provide to the court a written report of evaluation which meets the requirements of RCW 10.77.060(3). For defendants charged with a felony, the report following the second competency restoration period or first competency restoration period if the defendant's incompetence is determined to be solely due to a developmental disability or the evaluator concludes that the defendant is not likely to regain competency must include an assessment of the defendant's future dangerousness which is evidence-based regarding predictive validity.

**Sec. 7.** RCW 10.77.086 and 2022 c 288 s 4 are each amended to read as follows:

(1) If the defendant is charged with a felony that is not a qualifying class C felony, and that defendant is determined to be incompetent, until he or she has regained the competency necessary to understand the proceedings against him or her and assist in his or her own defense, but in any event for a period of no longer than 90 days, the court shall commit the defendant to the custody of the secretary for inpatient competency restoration, or may alternatively order the defendant to receive outpatient competency restoration based on a recommendation from a forensic navigator and input from the parties.

(2)(a) If the defendant is charged with a qualifying class C felony as their highest charge and determined to be incompetent, and the court finds that there is a diversion program as recommended by a forensic navigator, the court shall dismiss the proceedings without prejudice and refer the defendant to the recommended diversion program, except that if the court has previously determined that a diversion program under section 9 of this act is not appropriate, the forensic navigator does not recommend diversion, or the prosecutor objects to the dismissal and provides notice of a motion for an order for competency restoration treatment, then the court shall schedule a hearing within seven days.

(b)(i) At the hearing, the prosecuting attorney must establish that there is a compelling state interest to order competency restoration treatment for the defendant. The court may consider prior criminal history, prior history in treatment, prior history of violence, the quality and severity of the pending charges, and any history that suggests whether competency restoration treatment is likely to be successful, in addition to the factors listed under RCW 10.77.092. If the prosecuting attorney proves by a preponderance of the evidence that there is a compelling state interest in ordering competency restoration treatment, then the court shall issue an order in accordance with (c) of this subsection.

(ii) If the defendant is subject to an order under chapter 71.05 RCW or proceedings under chapter 71.05 RCW have been initiated, there is a rebuttable presumption that the state's compelling interest has been satisfied. Beginning October 1, 2023, if the defendant is charged with a serious traffic offense under RCW 9.94A.030, or a felony version of a serious traffic offense, the court may order the clerk to transmit an order to the department of licensing for revocation of the defendant's driver's license for a period of one year. The court shall direct the clerk to transmit an order to the department of licensing reinstating the defendant's driver's license if the defendant is subsequently restored to competency and may do so at any time before the end of one year for good cause upon the petition of the defendant.

(c) If a court finds pursuant to (b) of this subsection that there is a compelling state interest in pursuing competency restoration treatment or the court has previously determined that a diversion program under section 9 of this act is not appropriate for the defendant, the court shall order the defendant to receive outpatient competency restoration consistent with the recommendation of the forensic navigator, unless the court finds that an order for outpatient competency restoration is inappropriate considering the health and safety of the defendant and risks to public safety. If the court does not order the defendant to receive outpatient competency restoration, the court shall commit the defendant to the department for placement in a facility operated or contracted by the department for inpatient competency restoration.

(3)(a) To be eligible for an order for outpatient competency restoration, a defendant must be clinically appropriate and be willing to:

(i) Adhere to medications or receive prescribed intramuscular medication;

(ii) Abstain from alcohol and unprescribed drugs; and

(iii) Comply with urinalysis or breathalyzer monitoring if needed.

(b) If the court orders inpatient competency restoration, the department shall place the defendant in an appropriate facility of the department for competency restoration.

(c) If the court orders outpatient competency restoration, the court shall modify conditions of release as needed to authorize the department to place the person in approved housing, which may include access to supported housing, affiliated with a contracted outpatient competency restoration program. The department, in conjunction with the health care authority, must establish rules for conditions of participation in the outpatient competency restoration program, which must include the defendant being subject to medication management. The court may order regular urinalysis testing. The outpatient competency restoration program shall monitor the defendant during the defendant's placement in the program and report any noncompliance or significant changes with respect to the defendant to the department and, if applicable, the forensic navigator.

(d) If a defendant fails to comply with the restrictions of the outpatient restoration program such that restoration is no longer appropriate in that setting or the defendant is no longer clinically appropriate for outpatient competency restoration, the director of the outpatient competency restoration program shall notify the authority and the department of the need to terminate the outpatient competency restoration placement and intent to request placement for the defendant in an appropriate facility of the department for inpatient competency restoration. The outpatient competency restoration program shall coordinate with the authority, the department, and any law enforcement personnel under (d)(i) of this subsection to ensure that the time period between termination and admission into the inpatient facility is as minimal as possible. The time period for inpatient competency restoration shall be reduced by the time period spent in active treatment within the outpatient competency restoration program, excluding time periods in which the defendant was absent from the program and all time from notice of termination of the outpatient competency restoration period through the defendant's admission to the facility. The department shall obtain a placement for the defendant within seven days of the notice of intent to terminate the outpatient competency restoration placement.

(i) The department may authorize a peace officer to detain the defendant into emergency custody for transport to the designated inpatient competency restoration facility. If medical clearance is required by the designated competency restoration facility before admission, the peace officer must transport the defendant to a crisis stabilization unit, evaluation and treatment facility, emergency department of a local hospital, or triage facility for medical clearance once a bed is available at the designated inpatient competency restoration facility. The signed outpatient competency restoration order of the court shall serve as authority for the detention of the defendant under this subsection. This subsection does not preclude voluntary transportation of the defendant to a facility for inpatient competency restoration or for medical clearance, or authorize admission of the defendant into jail.

(ii) The department shall notify the court and parties of the defendant's admission for inpatient competency restoration before the close of the next judicial day. The court shall schedule a hearing within five days to review the conditions of release of the defendant and anticipated release from treatment and issue appropriate orders.

(e) The court may not issue an order for outpatient competency restoration unless the ((~~department~~))authority certifies that there is an available appropriate outpatient competency restoration program that has adequate space for the person at the time the order is issued or the court places the defendant under the guidance and control of a professional person identified in the court order.

((~~(2)~~))(4)(a) For a defendant whose highest charge is a class C felony that is not a qualifying class C felony, or a class B felony that is not classified as violent under RCW 9.94A.030, the maximum time allowed for the initial competency restoration period is 45 days if the defendant is referred for inpatient competency restoration, or 90 days if the defendant is referred for outpatient competency restoration, provided that if the outpatient competency restoration placement is terminated and the defendant is subsequently admitted to an inpatient facility, the period of inpatient treatment during the first competency restoration period under this subsection shall not exceed 45 days.

((~~(3)~~))(b) For a defendant whose highest charge is a qualifying class C felony, the maximum time allowed for competency restoration is 45 days if the defendant is referred for inpatient competency restoration, or 90 days if the defendant is referred for outpatient competency restoration. The court may order any combination of inpatient and outpatient competency restoration under this subsection, but the total period of inpatient competency restoration may not exceed 45 days.

(c) For any defendant with a felony charge that is admitted for competency restoration with an accompanying court order for involuntary medication under RCW 10.77.092, and the defendant is found not competent to stand trial following that period of restoration, charges shall be dismissed pursuant to subsection (7) of this section.

(5) If the court determines or the parties agree before the initial competency restoration period or at any subsequent stage of the proceedings that the defendant is unlikely to regain competency, the court may dismiss the charges without prejudice without ordering the defendant to undergo an initial or further period of competency restoration treatment, in which case the court shall order that the defendant be referred for evaluation for civil commitment in the manner provided in subsection ((~~(5)~~)) (7) of this section.

((~~(4) On~~))(6) For a defendant charged with a felony that is not a qualifying class

C felony, on or before expiration of the initial competency restoration period the court shall conduct a hearing to determine whether the defendant is now competent to stand trial. If the court finds by a preponderance of the evidence that the defendant is incompetent to stand trial, the court may order an extension of the competency restoration period for an additional period of 90 days, but the court must at the same time set a date for a new hearing to determine the defendant's competency to stand trial before the expiration of this second restoration period. The defendant, the defendant's attorney, and the prosecutor have the right to demand that the hearing be before a jury. No extension shall be ordered for a second or third competency restoration period if the defendant's incompetence has been determined by the secretary to be solely the result of ((a))an intellectual or developmental disability, dementia, or traumatic brain injury which is such that competence is not reasonably likely to be regained during an extension.

((~~(5)~~))(7) At the hearing upon the expiration of the second competency restoration period, or at the end of the first competency restoration period if the defendant is ineligible for a second or third competency restoration period under subsection (4) or (6) of this section, if the jury or court finds that the defendant is incompetent to stand trial, the court shall dismiss the charges without prejudice and order the defendant to be committed to ((~~a state hospital~~))the department for placement in a facility operated or contracted by the department for up to 120 hours, upon department receipt of the court order, if the defendant has not undergone competency restoration services or has engaged in outpatient competency restoration services, and up to 72 hours, upon department receipt of the court order, if the defendant engaged in inpatient competency restoration services starting from admission to the facility, excluding Saturdays, Sundays, and holidays, for evaluation for the purpose of filing a civil commitment petition under chapter 71.05 RCW. However, for a defendant charged with a felony that is not a qualifying class C felony, the court shall not dismiss the charges if the court or jury finds that: (a) The defendant (i) is a substantial danger to other persons; or (ii) presents a substantial likelihood of committing criminal acts jeopardizing public safety or security; and (b) there is a substantial probability that the defendant will regain competency within a reasonable period of time. If the court or jury makes such a finding, the court may extend the period of commitment for up to an additional six months.

((~~(6)~~))(8) Any period of competency restoration treatment under this section includes only the time the defendant is actually at the facility or is actively participating in an outpatient competency restoration program and is in addition to reasonable time for transport to or from the facility.

(9) "Qualifying class C felony" means any class C felony offense except: (a) Assault in the third degree where bodily harm has occurred; (b) felony physical control of a vehicle under RCW 46.61.504(6); (c) felony hit and run resulting in injury under RCW 46.52.020(4)(b); and (d) any class C felony offense with a domestic violence designation.

**Sec. 8.** RCW 10.77.088 and 2022 c 288 s 5 are each amended to read as follows:

(1) If the defendant is charged with a nonfelony crime which is a serious offense as identified in RCW 10.77.092 and found by the court to be not competent, then the court:

(a) Shall dismiss the proceedings without prejudice and detain the defendant ((~~for sufficient time to allow the designated crisis responder to evaluate the defendant and consider initial detention proceedings under chapter 71.05 RCW~~))pursuant to subsection (5) of this section, unless the prosecutor objects to the dismissal and provides notice of a motion for an order for competency restoration treatment, in which case the court shall schedule a hearing within seven days.

(b)(i) At the hearing, the prosecuting attorney must establish that there is a compelling state interest to order competency restoration treatment for the defendant. The court may consider prior criminal history, prior history in treatment, prior history of violence, the quality and severity of the pending charges, any history that suggests whether competency restoration treatment is likely to be successful, in addition to the factors listed under RCW 10.77.092. If the prosecuting attorney proves by a preponderance of the evidence that there is a compelling state interest in ordering competency restoration treatment, then the court shall issue an order in accordance with subsection (2) of this section.

(ii) If the defendant is subject to an order under chapter 71.05 RCW or proceedings under chapter 71.05 RCW have been initiated, there is a rebuttable presumption that the state's compelling interest has been satisfied. Beginning October 1, 2023, if the defendant is charged with a serious traffic offense under RCW 9.94A.030, the court may order the clerk to transmit an order to the department of licensing for revocation of the defendant's driver's license for a period of one year. The court shall direct the clerk to transmit an order to the department of licensing reinstating the defendant's driver's license if the defendant is subsequently restored to competency, and may do so at any time before the end of one year for good cause upon the petition of the defendant.

(2)(a) If a court finds pursuant to subsection (1)(b) of this section that there is a compelling state interest in pursuing competency restoration treatment, the court shall ((~~commit the defendant to the custody of the secretary for inpatient competency restoration, or may alternatively~~)) order the defendant to receive outpatient competency restoration ((~~based on a~~

~~recommendation from a forensic navigator and input from the parties~~))consistent with the recommendation of the forensic navigator, unless the court finds that an order for outpatient competency restoration is inappropriate considering the health and safety of the defendant and risks to public safety.

((~~(a)~~))(b) To be eligible for an order for outpatient competency restoration, a defendant must be ((~~clinically appropriate and be~~)) willing to:

(i) Adhere to medications or receive prescribed intramuscular medication;

(ii) Abstain from alcohol and unprescribed drugs; and

(iii) Comply with urinalysis or breathalyzer monitoring if needed.

((~~(b)~~))(c) If the court orders inpatient competency restoration, the department shall place the defendant in an appropriate facility of the department for competency restoration under subsection (3) of this section.

((~~(c)~~))(d) If the court orders outpatient competency restoration, the court shall modify conditions of release as needed to authorize the department to place the person in approved housing, which may include access to supported housing, affiliated with a contracted outpatient competency restoration program. The department, in conjunction with the health care authority, must establish rules for conditions of participation in the outpatient competency restoration program, which must include the defendant being subject to medication management. The court may order regular urinalysis testing. The outpatient competency restoration program shall monitor the defendant during the defendant's placement in the program and report any noncompliance or significant changes with respect to the defendant to the department and, if applicable, the forensic navigator.

((~~(d)~~))(e) If a defendant fails to comply with the restrictions of the outpatient competency restoration program such that restoration is no longer appropriate in that setting or the defendant is no longer clinically appropriate for outpatient competency restoration, the director of the outpatient competency restoration program shall notify the authority and the department of the need to terminate the outpatient competency restoration placement and intent to request placement for the defendant in an appropriate facility of the department for inpatient competency restoration. The outpatient competency restoration program shall coordinate with the authority, the department, and any law enforcement personnel under ((~~(d)~~))(e)(i) of this subsection to ensure that the time period between termination and admission into the inpatient facility is as minimal as possible. The time period for inpatient competency restoration shall be reduced by the time period spent in active treatment within the outpatient competency restoration program, excluding time periods in which the defendant was absent from the program and all time from notice of termination of the outpatient competency restoration period through the defendant's admission to the facility. The department shall obtain a placement for the defendant within seven days of the notice of intent to terminate the outpatient competency restoration placement.

(i) The department may authorize a peace officer to detain the defendant into emergency custody for transport to the designated inpatient competency restoration facility. If medical clearance is required by the designated competency restoration facility before admission, the peace officer must transport the defendant to a crisis stabilization unit, evaluation and treatment facility, emergency department of a local hospital, or triage facility for medical clearance once a bed is available at the designated inpatient competency restoration facility. The signed outpatient competency restoration order of the court shall serve as authority for the detention of the defendant under this subsection. This subsection does not preclude voluntary transportation of the defendant to a facility for inpatient competency restoration or for medical clearance, or authorize admission of the defendant into jail.

(ii) The department shall notify the court and parties of the defendant's admission for inpatient competency restoration before the close of the next judicial day. The court shall schedule a hearing within five days to review the conditions of release of the defendant and anticipated release from treatment and issue appropriate orders.

((~~(e)~~))(f) The court may not issue an order for outpatient competency restoration unless the department certifies that there is an available appropriate outpatient restoration program that has adequate space for the person at the time the order is issued or the court places the defendant under the guidance and control of a professional person identified in the court order.

(g) If the court does not order the defendant to receive outpatient competency restoration under (a) of this subsection, the court shall commit the defendant to the department for placement in a facility operated or contracted by the department for inpatient competency restoration.

(3) The placement under subsection (2) of this section shall not exceed 29 days if the defendant is ordered to receive inpatient competency restoration, and shall not exceed 90 days if the defendant is ordered to receive outpatient competency restoration. The court may order any combination of this subsection, but the total period of inpatient competency restoration may not exceed 29 days.

(4) If the court has determined or the parties agree that the defendant is unlikely to regain competency, the court may dismiss the charges without prejudice without ordering the defendant to undergo competency restoration treatment, in which case the court shall order that the defendant be referred for evaluation for civil commitment in the manner provided in subsection (5) of this section.

(5)(a) If the proceedings are dismissed under RCW 10.77.084 and the defendant was on conditional release at the time of

dismissal, the court shall order the designated crisis responder within that county to evaluate the defendant pursuant to chapter 71.05 RCW. The evaluation may be conducted in any location chosen by the professional.

(b) If the defendant was in custody and not on conditional release at the time of dismissal, the defendant shall be detained and sent to an evaluation and treatment facility for up to 120 hours if the defendant has not undergone competency restoration services or has engaged in outpatient competency restoration services and up to 72 hours if the defendant engaged in inpatient competency restoration services, excluding Saturdays, Sundays, and holidays, for evaluation for purposes of filing a petition under chapter 71.05 RCW. The 120-hour or 72-hour period shall commence upon the next nonholiday weekday following the court order and shall run to the end of the last nonholiday weekday within the 120-hour or 72-hour period.

(6) If the defendant is charged with a nonfelony crime that is not a serious offense as defined in RCW 10.77.092 and found by the court to be not competent, the court may stay or dismiss proceedings and detain the defendant for sufficient time to allow the designated crisis responder to evaluate the defendant and consider initial detention proceedings under chapter 71.05 RCW. The court must give notice to all parties at least 24 hours before the dismissal of any proceeding under this subsection, and provide an opportunity for a hearing on whether to dismiss the proceedings.

(7) If at any time the court dismisses charges under subsections (1) through (6) of this section, the court shall make a finding as to whether the defendant has a history of one or more violent acts. If the court so finds, the defendant is barred from the possession of firearms until a court restores his or her right to possess a firearm under RCW 9.41.047. The court shall state to the defendant and provide written notice that the defendant is barred from the possession of firearms and that the prohibition remains in effect until a court restores his or her right to possess a firearm under RCW 9.41.047.

(8) Any period of competency restoration treatment under this section includes only the time the defendant is actually at the facility or is actively participating in an outpatient competency restoration program and is in addition to reasonable time for transport to or from the facility.

NEW SECTION. **Sec. 9.** A new section is added to chapter 10.77 RCW to read as follows:

(1) In counties with a forensic navigator program, a forensic navigator shall:

(a) Meet, interview, and observe all defendants charged with a qualifying class C felony as defined in RCW 10.77.086(9) or a nonfelony who have had two or more competency evaluations in the preceding 24 months on separate charges or cause numbers and determine the defendants' willingness to engage with services under this section; and

(b) Provide a diversion program plan to the parties in each case that includes a recommendation for a diversion program to defense counsel and the prosecuting attorney. Services under a diversion program may include a referral for assisted outpatient treatment under chapter 71.05 RCW.

(2) If the parties agree on the diversion program recommended by the forensic navigator, the prosecutor shall request dismissal of the criminal charges.

(3) If the parties do not agree on the diversion program, the defense may move the court for an order dismissing the criminal charges without prejudice and referring the defendant to the services described in the diversion program. The court shall hold a hearing on this motion within 10 days. The court shall grant the defense motion if it finds by a preponderance of the evidence that the defendant is amenable to the services described in the diversion program and can safely receive services in the community.

(4) Individuals who receive a dismissal of charges and referral to services described in a diversion program shall have a forensic navigator assigned to assist them for up to six months while engaging in the services described in the diversion program. The forensic navigator shall provide monthly status updates to the court and the parties regarding the individual's status in the diversion program.

**Sec. 10.** RCW 10.77.092 and 2014 c 10 s 2 are each amended to read as follows:

(1) For purposes of determining whether a court may authorize involuntary medication for the purpose of competency restoration pursuant to RCW 10.77.084 and for maintaining the level of restoration in the jail following the restoration period, a pending charge involving any one or more of the following crimes is a serious offense per se in the context of competency restoration:

(a) Any violent offense, sex offense, ((~~serious traffic offense,~~)) and most serious offense, as those terms are defined in RCW 9.94A.030;

(b) Any felony offense((~~, except nonfelony counterfeiting offenses,~~)) included in crimes against persons in RCW 9.94A.411;

(c) Any felony offense contained in chapter 9.41 RCW (firearms and dangerous weapons);

(d) Any felony or gross misdemeanor offense listed as domestic violence in RCW 10.99.020;

(e) Any felony offense listed as a harassment offense in chapter 9A.46 RCW;

(f) Any violation of chapter 69.50 RCW that is a class B felony; ((~~or~~))

(g) Any gross misdemeanor violation of RCW 46.61.502 or 46.61.504;

(h) Any gross misdemeanor offense with a sexual motivation allegation; or

(i) Any city or county ordinance or statute that is equivalent to an offense referenced in this subsection.

(2) Anytime the secretary seeks a court order authorizing the involuntary medication

for purposes of competency restoration pursuant to RCW 10.77.084, the secretary's petition must also seek authorization to continue involuntary medication for purposes of maintaining the level of restoration in the jail or juvenile detention facility following the restoration period.

(3)(a) In a particular case, a court may determine that a pending charge not otherwise defined as serious by state or federal law or by a city or county ordinance is, nevertheless, a serious offense within the context of competency restoration treatment when the conduct in the charged offense falls within the standards established in (b) of this subsection.

(b) To determine that the particular case is a serious offense within the context of competency restoration, the court must consider the following factors and determine that one or more of the following factors creates a situation in which the offense is serious:

(i) The charge includes an allegation that the defendant actually inflicted bodily or emotional harm on another person or that the defendant created a reasonable apprehension of bodily or emotional harm to another;

(ii) The extent of the impact of the alleged offense on the basic human need for security of the citizens within the jurisdiction;

(iii) The number and nature of related charges pending against the defendant;

(iv) The length of potential confinement if the defendant is convicted; and

(v) The number of potential and actual victims or persons impacted by the defendant's alleged acts.

NEW SECTION. **Sec. 11.** A new section is added to chapter 10.77 RCW to read as follows:

(1) When an individual has a prescription for an antipsychotic, antidepressant, antiepileptic, or other drug prescribed to the individual to treat a serious mental illness by a state hospital or other state facility or a behavioral health agency or other certified medical provider, and the individual is medically stable on the drug, a jail or juvenile detention facility shall continue prescribing the prescribed drug and may not require the substitution of a different drug in a given therapeutic class, except under the following circumstances:

(a) The substitution is for a generic version of a name brand drug and the generic version is chemically identical to the name brand drug; or

(b) The drug cannot be prescribed for reasons of drug recall or removal from the market, or medical evidence indicating no therapeutic effect of the drug.

(2) This section includes but is not limited to situations in which the individual returns to a jail or juvenile detention facility directly after undergoing treatment at a state hospital, behavioral health agency, outpatient competency restoration program, or prison.

(3) The department shall establish a program to reimburse jails and juvenile detention facilities for the costs of any drugs the jail or juvenile detention facility does not otherwise have available and must continue prescribing under this section.

NEW SECTION. **Sec. 12.** A new section is added to chapter 10.77 RCW to read as follows:

(1) Following a competency evaluation under RCW 10.77.060, individuals who are found not competent to stand trial and not restorable due to an intellectual or developmental disability, dementia, or traumatic brain injury, shall not be referred for competency restoration services unless the highest current criminal charge is a violent offense or sex offense as defined in RCW 9.94A.030. A defendant with a prior finding under this subsection may only be referred for competency restoration services if the highest charge under the new proceedings is a violent offense or sex offense as defined in RCW 9.94A.030.

(2) The department shall develop a process for connecting individuals who have been found not competent to stand trial due to an intellectual or developmental disability, dementia, or traumatic brain injury to available wraparound services and residential supports. The process shall include provisions for individuals who are current clients of the department's developmental disabilities administration or aging and long-term support administration and for individuals who are not current clients of the department.

(a) For current clients of the developmental disabilities administration and aging and long-term support administration, the department's assigned case manager shall:

(i) Coordinate with the individual's services providers to determine if the individual can return to the same or like services, or determine appropriate new services. This shall include updating the individual's service plan and identifying and coordinating potential funding for any additional supports to stabilize the individual in any setting funded by the developmental disabilities administration or aging and long-term support administration so that the individual does not lose existing services, including submitting any exceptions to rule for additional services;

(ii) Conduct a current service eligibility assessment and send referral packets to service providers, both the developmental disabilities administration and aging and long-term support administration, for all services for which the individual is eligible if they do not have a current residential service and supports provider; and

(iii) Connect with the individual's assigned forensic navigator and determine if the individual is eligible for any diversion, supportive housing, or case management programs as a Trueblood class member, and assist the individual to access these services.

(b) For individuals who have not established eligibility for the department's residential and support services, the department shall:

(i) Conduct an eligibility determination for services of the developmental disabilities administration and aging and long-term support administration and send referral packets to residential service providers and both the developmental disabilities administration and aging and long-term support administration for all relevant services for which the individual is eligible. This process must include identifying and coordinating funding for any additional supports that are needed to stabilize the individual in any residential setting funded by the developmental disabilities administration or aging and long-term support administration, including pursuing any necessary exceptions to rule; and

(ii) Connect with the individual's assigned forensic navigator and determine if the individual is eligible for any diversion, supportive housing, or case management programs as a Trueblood class member, if additional specialized services are available to supplement diversion program services, and assist the individual to access these services.

(3) The department shall offer to transition the individual in services either directly from the jail or as soon thereafter as may be practicable, without maintaining the individual at an inpatient facility for longer than is clinically necessary. Nothing in this subsection prohibits the department from returning the individual to their home or to another less restrictive setting if such setting is appropriate, which may include provision of supportive services to help the person maintain stability. The individual is not required to accept developmental disabilities administration, aging and long-term support administration, or other diversionary services as a condition of having the individual's criminal case dismissed without prejudice, provided the individual meets the criteria of subsection (1) of this section.

(4) Subject to the availability of funds appropriated for this specific purpose, the department shall develop a program for individuals who have been involved with the criminal justice system and who have been found under RCW 10.77.084 as incompetent to stand trial and not restorable due to an intellectual or developmental disability, traumatic brain injury, or dementia and who do not meet criteria under other programs in this section. The program must involve wraparound services and housing supports appropriate to the needs of the individual. It is sufficient to meet the criteria for participation in this program if the individual has recently been the subject of criminal charges that were dismissed without prejudice and was found incompetent to stand trial due to an intellectual or developmental disability, traumatic brain injury, or dementia.

NEW SECTION. **Sec. 13.** Subject to the availability of funds appropriated for this specific purpose, the health care authority shall require the programs it contracts with to increase compensation for staff in outpatient competency restoration programs to provide compensation at competitive levels to improve recruitment and allow for the full implementation of outpatient competency restoration programs.

NEW SECTION. **Sec. 14.** A new section is added to chapter 10.77 RCW to read as follows:

An outpatient competency restoration program must include access to a prescriber.

NEW SECTION. **Sec. 15.** A new section is added to chapter 10.77 RCW to read as follows:

Jails shall allow clinical intervention specialists to have access to individuals who are referred to receive services under this chapter and to all records relating to the health or conduct of the individual while incarcerated. Clinical intervention specialists shall support jail health services in providing direct services, enhanced oversight and monitoring of the behavioral health status of participating individuals. Clinical intervention specialists shall work collaboratively with jail health services to ensure appropriate prescriptions, medication compliance monitoring, and access to supportive behavioral health services to the individuals. Clinical intervention specialists shall coordinate with forensic navigators and the department to assist forensic navigators in making recommendations for appropriate placements, which may include recommendations for participation in an outpatient competency restoration program or a diversion program designed for the needs of the individual. The clinical intervention specialist shall notify the department if a participating individual appears to have stabilized in their behavioral health such that a new competency evaluation is appropriate to reassess the individual's need for competency restoration treatment.

NEW SECTION. **Sec. 16.** A new section is added to chapter 10.77 RCW to read as follows:

The department shall collect data so that information can be retrieved based on unique individuals, their complete Washington criminal history and referrals for forensic services.

NEW SECTION. **Sec. 17.** A new section is added to chapter 10.77 RCW to read as follows:

(1) The department shall coordinate with cities, counties, hospitals, and other public and private entities to identify locations that may be commissioned or renovated for use in treating clients committed to the department for competency evaluation, competency restoration, civil conversion, or treatment following acquittal by reason of insanity.

(2) The department may provide capital grants to entities to accomplish the purposes described in subsection (1) of this section subject to provision of funding provided for this specific purpose.

NEW SECTION. **Sec. 18.** Sections 6 through 8 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

NEW SECTION. **Sec. 19.** Section 12 of this act takes effect December 1, 2023."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Cheney; Entenman; Goodman; Peterson; Rude; Thai and Walen.

MINORITY recommendation: Without recommendation. Signed by Representatives Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member.

Referred to Committee on Appropriations

March 27, 2023

SSB 5491 Prime Sponsor, Local Government, Land Use & Tribal Affairs: Allowing for residential buildings of a certain height to be served by a single exit under certain conditions. Reported by Committee on Housing

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 19.27 RCW to read as follows:

(1) The state building code council shall convene a technical advisory group for the purpose of recommending modifications and limitations to the international building code that would allow for a single exit stairway to serve multifamily residential structures up to six stories above grade plane. The recommendations must include considerations for adequate and available water supply, the presence and response time of a professional fire department, and any other provisions necessary to ensure public health, safety, and general welfare.

(2) The technical advisory group shall provide its recommendations to the council in time for the council to adopt or amend rules or codes as necessary for implementation in the 2024 international building code. The council shall take action to adopt additions and amendments to rules or codes as necessary by July 1, 2026."

Correct the title.

Signed by Representatives Peterson, Chair; Alvarado, Vice Chair; Leavitt, Vice Chair; Klicker, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Barkis; Bateman; Chopp; Entenman; Hutchins; Low; Reed and Taylor.

Referred to Committee on Rules for second reading

March 28, 2023

ESSB 5528 Prime Sponsor, Labor & Commerce: Concerning retainage requirements for private construction projects. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) An owner, contractor, or subcontractor may withhold as retainage an amount equal to not more than five percent of the contract price of the work completed for private construction projects. Partial payment allowed under this subsection is not acceptance or approval of some of the work or a waiver of defects in the work.

(2) The owner, contractor, or subcontractor shall pay interest at the rate of one percent per month on the final payment due the contractor or subcontractor. The interest shall commence 30 days after the contractor or subcontractor has completed and the owner has accepted the work under the contract for construction for which the final payment is due. The interest shall run until the date when final payment is tendered to the contractor or subcontractor.

(3) When the contractor or subcontractor considers the work that the contractor or subcontractor is contracted to perform to be complete, the contractor or subcontractor shall notify the party to whom the contractor or subcontractor is responsible for performing the construction work under the contract.

(4) The party shall, within 15 days after receiving the notice, either accept the work or notify the contractor or subcontractor of work yet to be performed under the contract or subcontract. If the party does not accept the work or does not notify the contractor or subcontractor of work yet to be performed within the time allowed, the interest required under this subsection shall commence 30 days after the end of the 15-day period. A contractor may provide notice under this subsection to an owner or upper-tier contractor for release of retainage due to a subcontractor whose work is complete. If an owner or upper-tier contractor does not accept the subcontractor's work or does not notify the contractor of work yet to be performed by the subcontractor within 15 days after receiving the notice, the interest required under this section shall commence 30 days after the end of the 15-day period. A contractor's obligation to pay interest to a subcontractor under this section does not begin until the contractor has received payment for the subcontractor's retainage provided that the contractor has submitted the subcontractor's retainage request to the owner or upper-tier contractor within 30 days after receipt from the subcontractor.

(5) This section does not apply to single-family residential construction less than 12 units.

NEW SECTION. **Sec. 2.** (1) In lieu of retainage, a subcontractor or contractor may tender, and a contractor or owner must

accept, a retainage bond in an amount not to exceed five percent of the moneys earned by the subcontractor or contractor.

(2) A subcontractor or contractor must provide a good and sufficient bond from an authorized surety company, conditioned that such person or persons must:

(a) Faithfully perform all the provisions of such contract;

(b) Pay all laborers, mechanics, and subcontractors and material suppliers, and all persons who supply such person or persons, or subcontractors, with provisions and supplies for the carrying on of such work; and

(c) Pay the taxes, increases, and penalties incurred on the project.

(3) The contractor or owner may require that the authorized surety have a minimum A.M. Best financial strength rating so long as that minimum rating does not exceed A-. The contractor may withhold the subcontractor's portion of the bond premium, to the extent the contractor provides a retainage bond to obtain a release of the subcontractor's retainage.

(4) The contractor or owner must accept a bond meeting the requirements of this section. The subcontractor or contractor's bond and any proceeds therefrom are subject to all claims and liens and in the same manner and priority as set forth for retained percentages in the contract and other applicable provisions.

(5) Whenever an owner accepts a bond in lieu of retained funds from a contractor, the contractor must accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor must then release the funds retained from the subcontractor or supplier to the subcontractor or supplier within 30 days of accepting the bond from the subcontractor or supplier.

(6) This section does not apply to single-family residential construction less than 12 units.

NEW SECTION. **Sec. 3.** Sections 1 and 2 of this act only apply to private construction projects and do not apply to public improvement contracts, as defined in RCW 60.28.011.

NEW SECTION. **Sec. 4.** Sections 1 through 3 of this act constitute a new chapter in Title 60 RCW."

Correct the title.

Signed by Representatives Berry, Chair; Fosse, Vice Chair; Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske; Connors; Doglio; Ormsby and Ortiz-Self.

Referred to Committee on Rules for second reading

March 27, 2023

ESSB 5546 Prime Sponsor, Labor & Commerce: Establishing a Washington state cannabis commission. Reported by Committee on Regulated Substances & Gaming

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that the Washington state liquor and cannabis board exists to promote safe communities and public safety, and that there is no state entity to oversee research and education of the state's cannabis industry.

(2) The legislature therefore declares:

(a) The Washington state cannabis commission may be established to benefit the people of the state of Washington and its economy;

(b) The general welfare of the people of the state will be served by the research and development of best practices surrounding safe cultivation and processing activities of cannabis so the industry is therefore affected with the public interest;

(c) The Washington state cannabis commission is intended to support social equity efforts in the cannabis industry, including increasing participation in licensed cannabis production and licensed cannabis production and processing under RCW 69.50.325 by persons who reside in, or have resided in, a disproportionately impacted area, as defined in RCW 69.50.335, or who are both a socially and economically disadvantaged individual as defined by the office of minority and women's business enterprises under chapter 39.19 RCW, with a goal of reducing accumulated harm suffered by individuals, families, and local areas subject to severe impacts from the historical application and enforcement of cannabis prohibition laws; and

(d) Creating a Washington state cannabis commission for the public purpose of administering the revenue of the commission serves the public interest by materially advancing the producing and processing of cannabis and improving sustainability in the cannabis producing and processing sectors.

(3) To complement the development of a comprehensive regulatory scheme for the production and processing of cannabis and cannabis products, the legislature further declares that:

(a) It is in the overriding public interest that the state support responsible agricultural production of cannabis in order to:

(i) Protect the public by providing research and education in reference to the quality, care, and methods used in the production of cannabis and cannabis products; and

(ii) Support and engage in programs or activities that benefit the safe production, handling, processing, and uses of cannabis and cannabis products; and

(b) Cannabis production and processing is a highly regulated industry and that this chapter and the rules adopted under it are only one aspect of the regulated industry. Other applicable laws include:

(i) Chapter 15.130 RCW, the food safety and security act;

(ii) Chapter 15.125 RCW, cannabis and cannabis products;

(iii) Title 69 RCW, food, drugs, cosmetics, and poisons; and

(iv) Chapter 82.08 RCW, retail sales tax.

(4) This chapter and any rules adopted under this chapter are for the purpose of fostering responsible and orderly agricultural production of cannabis. Nothing in this chapter should be interpreted to conflict with or supersede the overriding regulatory authority the legislature has already granted to other state agencies.

NEW SECTION. **Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Active cannabis producer" means a cannabis producer who reported gross income that is subject to tax under chapter 82.04 RCW in the calendar year before the date of a referendum under section 3 of this act.

(2) "Active cannabis producer/processor" means a cannabis producer/processor who reported gross income that is subject to tax under chapter 82.04 RCW in the calendar year before the date of a referendum under section 3 of this act.

(3) "Board" means the Washington state liquor and cannabis board.

(4) "Cannabis" has the meaning provided in RCW 69.50.101.

(5) "Cannabis producer" has the meaning provided in RCW 69.50.101.

(6) "Cannabis products" has the meaning provided in RCW 69.50.101.

(7) "Cannabis processor" has the meaning provided in RCW 69.50.101.

(8) "Cannabis producer/processor" means any person or legal entity holding both a cannabis producer license and a cannabis processor license as defined in RCW 69.50.101.

(9) "Cannabis researcher" has the same meaning provided in RCW 69.50.101.

(10) "Cannabis retailer" has the same meaning provided in RCW 69.50.101.

(11) "Commission" means the Washington state cannabis commission established in this chapter.

(12) "Cooperative" means a cannabis cooperative formed by qualifying patients, designated providers, or both, which meets the requirements of RCW 69.51A.250 and rules adopted under that section.

(13) "District" means each of the geographical areas of the state of Washington defined in subsections (14) through (17) of this section.

(14) "District 1" means the geographical area including the counties of Clallum, Island, Jefferson, King, San Juan, Skagit, Snohomish, and Whatcom.

(15) "District 2" means the geographical area including the counties of Chelan, Douglas, Ferry, Grant, Kittitas, Okanogan, Pend Oreille, and Stevens.

(16) "District 3" means the geographical area including the counties of Adams, Asotin, Benton, Columbia, Franklin, Garfield, Lincoln, Spokane, Walla Walla, Whitman, and Yakima.

(17) "District 4" means the geographical area including the counties of Clark, Cowlitz, Grays Harbor, Kitsap, Klickitat, Lewis, Mason, Pacific, Pierce, Skamania, Thurston, and Wahkiakum.

(18) "Fiscal year" means the 12-month period beginning July 1st of any year and ending June 30th.

(19) "Interested parties" means governmental departments, agencies, and bodies at the federal, state, or local levels. "Interested parties" includes tribal governments, universities, national and international associations, and other public or private sector organizations with an interest in cannabis-related matters.

(20) "Tier" means any of the production licensing categories established by rule of the board.

NEW SECTION. **Sec. 3.** (1) Subject to subsection (7) of this section, upon receipt of a petition containing the signatures of five active cannabis producers or active cannabis producer/processors, to implement this chapter and to determine participation in the commission and assessment under this chapter, the director must conduct a referendum of active cannabis producers and active cannabis producer/processors.

(a) The referendum must be conducted within 60 days of receipt of the petition.

(b) The department must establish a list of active cannabis producers and active cannabis producer/processors eligible to vote in the referendum in collaboration with the board and the department of revenue. Inadvertent failure to notify an active cannabis producer or active cannabis producer/processor does not invalidate a proceeding conducted under this chapter.

(2) The requirements of assent or approval of a referendum under subsection (1) of this section are met if:

(a) At least 51 percent by numbers of the participants in the referendum vote affirmatively; and

(b) At least 40 percent of the active cannabis producers and 40 percent of the active cannabis producer/processors have been represented in the referendum to determine assent or approval of participation and assessment.

(3) If the director determines that the requisite assent has not been given in the referendum conducted under subsection (1) of this section, the director must take no further action to implement or enforce this chapter.

(4) Upon completion of the referendum conducted under subsection (1) of this section, the department must tally the results of the vote and provide the results to participants. The department must create rules for an active cannabis producer or an active cannabis producer/processor to dispute the results of a vote within 60 days from the announced results.

(5) The director is not required to hold a referendum under subsection (1) of this section more than once in any 12-month period.

(6) The director may conduct voting on a referendum under this chapter by electronic means, paper ballots, or both.

(7) No referendum may be conducted under this section until July 1, 2025, unless the director receives written notice from the

liquor and cannabis board that, pursuant to separate legislation enacted after January 1, 2023, the liquor and cannabis board has issued or reissued the maximum number of cannabis producer and processor licenses made available for issuance or reissuance to applicants meeting social equity criteria under the terms of the separately enacted legislation.

NEW SECTION. **Sec. 4.** Within 60 days of the director determining that requisite assent has been given in a referendum conducted under section 3 of this act, the director must establish the Washington state cannabis commission to:

(1) Plan and conduct programs for cannabis-related matters;

(2) Provide funding for conducting research in accordance with commission rules;

(3) Coordinate with and advise interested parties regarding cannabis-related matters within the scope of the powers and purposes of the commission in accordance with commission rules;

(4) Coordinate with interested parties to standardize methods by which to identify and determine the genetics, strains, cultivars, phenotypes, standards, and grades of cannabis, and advise on cannabis packaging and labeling requirements;

(5) Conduct reviews, surveys, and inquiries regarding market metrics and analytics, including trends, revenues, profitability, projections, production, business practices, and other economic drivers of the cannabis industry;

(6) Inform and advise cannabis producers and cannabis producer/processors on cannabis-related matters, including, without limitation, educational information on cannabis cultivation, usage, risks, and related technical and scientific developments;

(7) Provide cannabis-related education and training to cannabis producers, cannabis producer/processors, cannabis researchers, and their employees, which may include education and training on cannabis health and safety information;

(8) Provide information and services for meeting resource conservation objectives of cannabis producers and cannabis producer/processors;

(9) Assist and cooperate with federal, state, and local government agencies in the investigation and control of pests, diseases, and other factors that could adversely affect the cultivation, quality, and safety of cannabis produced in this state;

(10) Advance the knowledge and practices of cannabis production in this state through research and testing methods to improve pest management, worker protection, safety training, energy efficiency, and environmental protection;

(11) Support Washington state's policies and work to improve social equity in the cannabis industry by: (a) Increasing participation in licensed cannabis production and licensed cannabis production and processing by persons who reside in, or have resided in, a disproportionately impacted area, as defined in RCW 69.50.335, or who are both a socially and economically disadvantaged individual as defined by the office of minority and women's business enterprises under chapter 39.19 RCW; and (b) raising awareness about and working to eliminate unconscious bias;

(12) Limit youth access and youth exposure to cannabis;

(13) Enable cannabis producers and cannabis producer/processors, in cooperation with the commission, to:

(a) Develop and engage in research, including, without limitation, discovering better and more efficient production, irrigation, odor mitigation, processing, transportation, handling, packaging, and use of cannabis and cannabis products; and

(b) Discover and develop new and improved cultivars;

(14) Establish uniform grading and proper preparation of cannabis products for market;

(15) Protect the interest of consumers and the state by advising on the overall production of cannabis; and

(16) Advance the knowledge and practices of processing cannabis in this state.

NEW SECTION. **Sec. 5.** (1) The commission must:

(a) Elect a chair and other officers by a majority vote of the commission or in accordance with bylaws adopted by the commission;

(b) Adopt, rescind, and amend bylaws and other internal rules necessary for the administration and operation of the commission and for carrying out its duties in this chapter;

(c) Administer and enforce the provisions of this chapter;

(d) Designate a public records officer, rules coordinator, and other representatives required under laws governing state agencies and commissions;

(e) Comply with all other laws applicable to state agencies and commissions;

(f) Institute and maintain in its own name any legal actions, including actions by injunction, mandatory injunction, civil recovery, or proceedings before administrative tribunals or other governmental authorities necessary to carry out this chapter, and to sue and be sued as a commission, without individual liability for acts of the commission within the scope of the powers conferred by this chapter; and

(g) Keep accurate records of all receipts and disbursements, which must be open to inspection and audit by the state auditor or its designee at least every five years and at any time by a duly appointed internal auditor by majority vote of the commission.

(2) The commission may:

(a) Employ and discharge, in its discretion, managers, secretaries, agents, attorneys, and employees, and engage the services of independent contractors as the commission deems necessary to fulfill duties, and to fix compensation. However, until assessment collections in section 15 of this act equal at least $1,000,000, the commission must contract for staff support;

(b) Acquire and transfer personal and real property, establish offices, incur

expenses, enter into contracts and cooperative agreements, and create such debt and other liabilities as may be reasonable to fulfill its duties under this chapter;

(c) Make necessary disbursements for routine operating expenses;

(d) Expend funds for all activities permitted under this chapter;

(e) Cooperate with interested parties to fulfill its duties under this chapter;

(f) Serve as a liaison on behalf of the general cannabis producing and processing industries to the board and other interested parties, and not on behalf of any individual cannabis producer or cannabis producer/processor;

(g) Solicit, accept, retain, and expend any gifts, bequests, contributions, or grants from private persons or public agencies to carry out this chapter;

(h) Retain the services of private legal counsel, which is subject to the appointment and approval by the office of the state attorney general;

(i) Engage in appropriate activities and events to support commission activities authorized by this chapter;

(j) Participate in meetings, hearings, and other proceedings regarding cannabis, including, without limitation, the production, irrigation, manufacture, regulation, transportation, distribution, sale, or use of cannabis, including activities authorized under RCW 42.17A.635 and the reporting of such activities to the public disclosure commission;

(k) Obtain from the board, a list of the names and addresses of cannabis producers, cannabis processors, cannabis producer/processors, and cannabis retailers, and other available data from the state as requested by the commission relative to its duties under this chapter;

(l) Acquire, create, develop, and own intellectual property rights, licenses, and patents, and to collect royalties resulting from the sale or licensing of commission-funded research. However, results and recommendations from research conducted or funded by the commission must be available to all cannabis producers and cannabis producer/processors without charge, except for reasonable costs as the commission may determine;

(m) Speak on behalf of the Washington state government regarding agricultural production of cannabis in this state, subject to oversight of both the director and the director of the board;

(n) Possess cannabis products for the limited purposes of this chapter;

(o) Adopt rules to implement this chapter; and

(p) Exercise other powers and duties reasonably necessary to carry out this chapter.

NEW SECTION. **Sec. 6.** The department must serve as the commission's rules coordinator. Rules adopted by the commission must be approved by the director.

NEW SECTION. **Sec. 7.** (1) The commission is composed of the following 13 voting members:

(a) Eight cannabis producer or cannabis producer/processor members, two each from district 1, district 2, district 3, and district 4;

(b) One statewide at-large cannabis producer or cannabis producer/processor member who is licensed by the liquor and cannabis board pursuant to social equity criteria under separately enacted legislation identified in section 3(7) of this act;

(c) One statewide tier one cannabis producer or cannabis producer/processor member from any district;

(d) One statewide tier two cannabis producer or cannabis producer/processor member from any district;

(e) One statewide tier three cannabis producer or cannabis producer/processor member from any district; and

(f) The director.

(2) Except as provided in subsection (6) of this section, each member of the commission other than the director must:

(a) Be 21 years of age or older;

(b) Be a citizen and resident of this state;

(c) Directly hold or be named an owner in whole or majority part of an entity holding the relevant business license issued by the board. This license must not be suspended at the time of nomination, election, or appointment and must not be suspended at any time during the member's term;

(d) Be an officer or employee of a corporation, firm, partnership, association, or cooperative engaged in the active production of cannabis within this state for a period of three years and have, during that period, derived a substantial portion of his or her income from cannabis production; and

(e) Continue to meet all membership qualifications throughout the member's term.

(3) Seven voting members constitute a quorum of the commission.

(4) Commission members must be reimbursed for expenses incurred in the performance of their duties under this chapter in accordance with RCW 43.03.050 and 43.03.060.

(5) Commission members shall complete training on unconscious bias.

(6) The member of the commission identified in subsection (1)(b) of this section is not subject to the requirements in subsection (2)(d) of this section to be engaged in the active production of cannabis within this state for a period of three years and have, during that period, derived a substantial portion of his or her income from cannabis production.

NEW SECTION. **Sec. 8.** (1) The director must select initial members to appoint to the commission from a pool of self-nominated cannabis producers or cannabis producer/processors from district 1, district 2, district 3, and district 4.

(2) The director has discretion in determining which members are appointed to the term limits in (a) through (c) of this subsection but, within 90 days after the effective date of this section, must appoint the initial commission members in accordance with the following:

(a) Four members must be appointed for a one-year term;

(b) Four members must be appointed for a two-year term; and

(c) Four members must be appointed for a three-year term.

(3) The commission must establish by rule the process by which commission members are elected and any vacancy appointments are made.

(4) When making initial and replacement appointments, the director must give priority to persons representing the diverse communities of the state to maintain a balanced representation of members where practicable.

NEW SECTION. **Sec. 9.** (1) On a fiscal year basis and before each fiscal year beginning, the commission must develop and submit, to the director, each of the following:

(a) A budget; and

(b) Any plans concerning, without limitation:

(i) The establishment, issuance, effectuation, or administration of commission governance issues; and

(ii) The initiation or establishment of any rule making.

(2) The director must timely review and approve or deny each submission in this section.

(3) The director must review the commission's education program to ensure its consistency with applicable state and federal laws.

NEW SECTION. **Sec. 10.** The commission must deposit moneys collected under this chapter and section 15 of this act in a separate account in the name of the commission in any bank that is a state depository. All expenditures and disbursements made from this account under this chapter may be made without the necessity of a specific legislative appropriation. None of the provisions of RCW 43.01.050 and 69.50.540 apply to this account or to the moneys received, collected, or expended under this chapter.

NEW SECTION. **Sec. 11.** The fee levied under section 15 of this act constitutes a personal debt of every person charged or who otherwise owes the fee, and the fee is due and payable to the commission.

NEW SECTION. **Sec. 12.** (1) Financial and commercial information and records submitted to the board or the commission to administer this chapter may be shared between the board and the commission. The information or records may also be used, if required, in any action or administrative hearing relative to this chapter.

(2) This section does not prohibit:

(a) The issuance of general statements based upon the reports of a cannabis producer or cannabis producer/processor under this chapter if the statements do not identify a specific licensee; or

(b) The publication by the director or the commission of the name of a cannabis producer or cannabis producer/processor violating this chapter and a statement of the violation.

NEW SECTION. **Sec. 13.** Obligations incurred by the commission and any other liabilities or claims against the commission must be enforced only against the assets of the commission and, except to the extent of such assets, no liability for the debts or actions of the commission exists against either the state of Washington or any subdivision or instrumentality thereof or against any member, employee, or agent of the commission or the state of Washington in his or her individual capacity. Except as otherwise provided in this chapter, neither the commission members, nor its employees, may be held individually responsible for errors in judgment, mistakes, or other acts, either of commission or omission, as principal, agent, person, or employee, except for their own individual acts of dishonesty or crime. No person or employee may be held individually responsible for any act or omission of any other commission members. The liability of the commission members shall be several and not joint, and no member is liable for the default of any other member. This provision confirms that commission members have been and continue to be, state officers or volunteers for purposes of RCW 4.92.075 and are entitled to the defenses, indemnifications, limitations of liability, and other protections and benefits of chapter 4.92 RCW.

NEW SECTION. **Sec. 14.** All costs incurred by the board and the department, including staff support and the adoption of rules or other actions necessary to carry out this chapter must be reimbursed by the commission. Costs incurred under this section must include initial estimates of work and line-item accounting of the costs incurred.

NEW SECTION. **Sec. 15.** A new section is added to chapter 69.50 RCW to read as follows:

(1) Pursuant to referendum under section 3 of this act, to provide for permanent funding of the Washington state cannabis commission, the board must impose and collect an assessment from all cannabis producers and cannabis producer/processors.

(2) The initial rate of assessment is:

(a) 0.29 percent of all sales revenue conducted by a cannabis producer who is not a cannabis producer/processor subject to an assessment under (b) of this subsection; and

(b) 0.145 percent of all sales revenue conducted by a cannabis producer/processor.

(3) After the initial assessment is approved, the commission may modify the assessment if submitted for approval by referendum. The requirements of assent or approval of a referendum under this subsection are met if:

(a) At least 60 percent by numbers of the participants in the referendum vote affirmatively to approve the modification; and

(b) At least 40 percent of the active cannabis producers and 40 percent of the active cannabis producer/processors have been represented in the referendum to determine assent or approval of the modification.

(4) Assessments collected under this section must be disbursed at least quarterly to the Washington state cannabis commission established in section 4 of this act for use in carrying out the purposes of chapter 15.--- RCW (the new chapter created in section 17 of this act).

(5) Until October 31, 2028, the assessments in this section do not apply to a cannabis producer or cannabis producer/processor licensed under the social equity program in this chapter.

**Sec. 16.** RCW 41.06.070 and 2019 c 146 s 3 are each 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, and temporary employees, and part-time professional consultants, as defined by the director;

(m) Officers and employees of the Washington state fruit commission;

(n) Officers and employees of the Washington apple commission;

(o) Officers and employees of the Washington state dairy products commission;

(p) Officers and employees of the Washington tree fruit research commission;

(q) Officers and employees of the Washington state beef commission;

(r) Officers and employees of the Washington grain commission;

(s) Officers and employees of any commission formed under chapter 15.66 RCW;

(t) Officers and employees of agricultural commissions formed under chapter 15.65 RCW;

(u) 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;

(v) 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;

(w) Staff employed by the department of commerce to administer energy policy functions;

(x) The manager of the energy facility site evaluation council;

(y) 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 (v) of this subsection;

(z) 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);

(aa) Officers and employees of the consolidated technology services agency created in RCW 43.105.006 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;

(bb) The executive director of the Washington statewide reentry council; and

(cc) Officers and employees of the Washington state cannabis commission under chapter 15.--- RCW (the new chapter created in section 17 of this act).

(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 may provide for further exemptions pursuant to the following procedures. The governor or other appropriate elected official may submit requests for exemption to the office of financial management stating the reasons for requesting such exemptions. The director 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 shall grant the request. 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.

(4) 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 (t), (cc), and (2) of this section, shall be determined by the director. 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.

(5)(a) 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.

(b) 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.

(c) 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.

NEW SECTION. **Sec. 17.** Sections 1 through 14 of this act constitute a new chapter in Title 15 RCW."

Correct the title.

Signed by Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Morgan; Orwall and Reeves.

MINORITY recommendation: Do not pass. Signed by Representatives Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Cheney; Walsh; and Waters.

Referred to Committee on Appropriations

March 28, 2023

E2SSB 5580 Prime Sponsor, Ways & Means: Improving maternal health outcomes. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 74.09 RCW to read as follows:

(1) By no later than January 1, 2025, the authority shall create a postdelivery and transitional care program that allows for extended postdelivery hospital care for people with a substance use disorder at the time of delivery. The authority shall:

(a) Allow for up to five additional days of hospitalization stay for the birth parent;

(b) Provide the birth parent access to integrated care and medical services including, but not limited to, access to clinical health, medication management, behavioral health, addiction medicine, specialty consultations, and psychiatric providers;

(c) Provide the birth parent access to social work support which includes coordination with the department of children, youth, and families to develop a plan for safe care;

(d) Allow dedicated time for health professionals to assist in facilitating early bonding between the birth parent and infant by helping the birth parent recognize and respond to their infant's cues; and

(e) Establish provider requirements and pay only those qualified providers for the services provided through the program.

(2) In administering the program, the authority shall seek any available federal financial participation under the medical assistance program, as codified at Title XIX of the federal social security act, the state children's health insurance program, as codified at Title XXI of the federal social security act, and any other federal funding sources that are now available or may become available.

NEW SECTION. **Sec. 2.** A new section is added to chapter 74.09 RCW to read as follows:

(1) Subject to the amounts appropriated for this specific purpose, the authority shall update the maternity support services program to address perinatal outcomes and increase equity and healthier birth outcomes. By January 1, 2025, the authority shall:

(a) Update current screening tools to be culturally relevant, include current risk factors, ensure the tools address health equity, and include questions identifying various social determinants of health that impact a healthy birth outcome and improve health equity;

(b) Ensure care coordination, including sharing screening tools with the patient's health care providers as necessary;

(c) Develop a mechanism to collect the results of the maternity support services screenings and evaluate the outcomes of the program. At minimum, the program evaluation shall:

(i) Identify gaps, strengths, and weaknesses of the program; and

(ii) Make recommendations for how the program may improve to better align with the authority's maternal and infant health initiatives; and

(d) Increase the allowable benefit and reimbursement rates with the goal of increasing utilization of services to all eligible maternity support services clients who choose to receive the services.

(2) The authority shall adopt rules to implement this section.

NEW SECTION. **Sec. 3.** A new section is added to chapter 74.09 RCW to read as follows:

By November 1, 2023, the income standards for a pregnant person eligible for Washington apple health pregnancy coverage shall have countable income equal to or below 210 percent of the federal poverty level.

**Sec. 4.** RCW 74.09.830 and 2021 c 90 s 2 are each amended to read as follows:

(1) The authority shall extend health care coverage from 60 days postpartum to one year postpartum for pregnant or postpartum persons who, on or after the expiration date of the federal public health emergency declaration related to COVID-19, are receiving postpartum coverage provided under this chapter.

(2) By June 1, 2022, the authority must:

(a) Provide health care coverage to postpartum persons who reside in Washington state, have countable income equal to or below 193 percent of the federal poverty level, and are not otherwise eligible under Title XIX or Title XXI of the federal social security act; and

(b) Ensure all persons approved for pregnancy or postpartum coverage at any time are continuously eligible for postpartum coverage for 12 months after the pregnancy ends regardless of whether they experience a change in income during the period of eligibility.

(3) By November 1, 2023, the income standards for a postpartum person eligible for Washington apple health pregnancy or postpartum coverage shall have countable income equal to or below 210 percent of the federal poverty level.

(4) Health care coverage under this section must be provided during the 12-month period beginning on the last day of the pregnancy.

((~~(4)~~)) (5) The authority shall not provide health care coverage under this section to individuals who are eligible to receive health care coverage under Title XIX or Title XXI of the federal social security act. Health care coverage for these individuals shall be provided by a program that is funded by Title XIX or Title XXI of the federal social security act. Further, the authority shall make every effort to expedite and complete eligibility determinations for individuals who are presumptively eligible to receive health care coverage under Title XIX or Title XXI of the federal social security act to ensure the state is receiving the maximum federal match. This includes, but is not limited to, working with the managed care organizations

to provide continuous outreach in various modalities until the individual's eligibility determination is completed. Beginning January 1, 2022, the authority must submit quarterly reports to the caseload forecast work group on the number of individuals who are presumptively eligible to receive health care coverage under Title XIX or Title XXI of the federal social security act but are awaiting for the authority to complete eligibility determination, the number of individuals who were presumptively eligible but are now receiving health care coverage with the maximum federal match under Title XIX or Title XXI of the federal social security act, and outreach activities including the work with managed care organizations.

((~~(5)~~)) (6) To ensure continuity of care and maximize the efficiency of the program, the amount and scope of health care services provided to individuals under this section must be the same as that provided to pregnant and postpartum persons under medical assistance, as defined in RCW 74.09.520.

((~~(6)~~)) (7) In administering this program, the authority must seek any available federal financial participation under the medical assistance program, as codified at Title XIX of the federal social security act, the state children's health insurance program, as codified at Title XXI of the federal social security act, and any other federal funding sources that are now available or may become available. This includes, but is not limited to, ensuring the state is receiving the maximum federal match for individuals who are presumptively eligible to receive health care coverage under Title XIX or Title XXI of the federal social security act by expediting completion of the individual's eligibility determination.

((~~(7)~~)) (8) Working with stakeholder and community organizations and the Washington health benefit exchange, the authority must establish a comprehensive community education and outreach campaign to facilitate applications for and enrollment in the program or into a more appropriate program where the state receives maximum federal match. Subject to the availability of amounts appropriated for this specific purpose, the education and outreach campaign must provide culturally and linguistically accessible information to facilitate participation in the program, including but not limited to enrollment procedures, program services, and benefit utilization.

((~~(8)~~)) (9) Beginning January 1, 2022, the managed care organizations contracted with the authority to provide postpartum coverage must annually report to the legislature on their work to improve maternal health for enrollees, including but not limited to postpartum services offered to enrollees, the percentage of enrollees utilizing each postpartum service offered, outreach activities to engage enrollees in available postpartum services, and efforts to collect eligibility information for the authority to ensure the enrollee is in the most appropriate program for the state to receive the maximum federal match."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Barnard; Bronoske; Davis; Graham; Harris; Macri; Maycumber; Mosbrucker; Orwall; Simmons; Stonier; Thai and Tharinger.

Referred to Committee on Appropriations

March 28, 2023

SSB 5586 Prime Sponsor, Labor & Commerce: Concerning employees' paid family or medical leave data. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 50A.25.040 and 2019 c 13 s 73 are each amended to read as follows:

(1) An individual shall have access to all records and information concerning that individual held by the department unless the information is exempt from disclosure under RCW 42.56.410.

(2) An employer shall have access to:

(a) Its own records relating to any claim or determination for family or medical leave benefits by an individual;

(b) Records and information relating to a decision to allow or deny benefits if the decision is based on material information provided by the employer; and

(c) Records and information related to that employer's premium assessment.

(3)(a) Any interested party may have access to the following records and information related to an employee's paid family or medical leave claim:

(i) Type of leave being taken;

(ii) Requested duration of leave including the approved dates of leave; and

(iii) Whether the employee was approved for benefits and was paid benefits for any given week.

(b) Any information provided under this subsection shall be considered accurate to the extent possible based on information available to the department at the time the request is processed.

(c) Any information provided under this subsection may only be used for the purpose of administering internal employer leave or benefit practices under established employer policies. The department may investigate unauthorized uses of records and information obtained under this subsection in accordance with RCW 50A.40.010.

(d) For the purposes of this subsection, "interested party" means a current employer, a current employer's third-party administrator, or an employee. "Interested party" may be specified further in rule by the department.

(4) The department may disclose records and information deemed confidential under this chapter to a third party acting on behalf of an individual or employer that would otherwise be eligible to receive records under subsection (1) or (2) of this section when the department receives a

signed release from the individual or employer. The release must include a statement:

(a) Specifically identifying the information that is to be disclosed;

(b) That state government files will be accessed to obtain that information;

(c) Of the specific purpose or purposes for which the information is sought and a statement that information obtained under the release will only be used for that purpose or purposes; and

(d) Indicating all the parties who may receive the information disclosed.

NEW SECTION. **Sec. 2.** This act takes effect January 1, 2024."

Correct the title.

Signed by Representatives Berry, Chair; Fosse, Vice Chair; Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; Bronoske; Connors; Doglio; Ormsby and Ortiz-Self.

Referred to Committee on Rules for second reading

March 28, 2023

SSB 5589 Prime Sponsor, Law & Justice: Concerning probate. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass. Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Entenman; Goodman; Peterson; Thai and Walen.

MINORITY recommendation: Do not pass. Signed by Representatives Walsh, Ranking Minority Member; Graham, Assistant Ranking Minority Member; Cheney; and Rude.

Referred to Committee on Rules for second reading

March 27, 2023

SSB 5626 Prime Sponsor, Early Learning & K-12 Education: Expanding and enhancing media literacy and digital citizenship in K-12 education. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 28A.300.840 and 2021 c 301 s 6 are each amended to read as follows:

(1)(a) The office of the superintendent of public instruction shall establish a ((~~grant program for the purposes of supporting~~)) media literacy and digital citizenship ((~~through school district leadership teams~~))grant program. The office of the superintendent of public instruction shall establish and publish criteria for the grant program, and may accept gifts, grants, or endowments from public or private sources for the grant program.

(b)(i) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall award grants to school districts and educational service districts that submit a grant proposal to implement one or more of the activities described in subsection (2) of this section.

(ii) A school district or educational service district may partner with a nonprofit organization for the purpose of assisting in the administration of a grant awarded under this section. For a school district or educational service district to partner with a nonprofit for the purpose of assisting in the administration of a grant under this section, the intent to partner with a nonprofit must be included in the grant proposal.

(c) A school district or educational service district that receives a grant under this section is not prohibited from receiving a grant in subsequent grant cycles.

(2)((~~(a) For a school district to qualify for a grant under this section, the grant proposal must provide that the grantee~~))Grants awarded under this section may be used for the following activities:

(a) To create a district leadership team that develops a curriculum unit on media literacy, synthetic media, or digital citizenship, or ((~~both~~))a combination of these topics, that may be integrated into one ((~~of the following areas:~~

~~(i) Social studies;~~

~~(ii) English language arts; or~~

~~(iii) Health.~~

~~(b) School districts selected under the grant program are expected to evaluate the curriculum unit they develop under this subsection (2).~~

~~(c) In developing their curriculum unit, school districts selected under the grant program are~~))or more subject areas. The district leadership team is encouraged to work with school district teacher-librarians or a school district library information technology program, if applicable((~~.~~

~~(3) The establishment of the grant program under this section is subject to the availability of amounts appropriated for this specific purpose.~~

~~(4) The curriculum unit developed under this section must be made available as an open educational resource.~~

~~(5)(a) Up to 10 grants a year awarded under this section must be for establishing~~));

(b) To establish media literacy professional learning communities with ((~~the purpose of sharing best practices in the subject of media literacy.~~

~~(b)(i) Grant recipients under this subsection (5) are required to develop~~)) an online presence ((~~for their community~~)) to model new strategies and to share ideas, challenges, and successful practices((~~.~~

~~(ii) Grant recipients shall~~));

(c) To attend the group meetings ((~~created~~))convened by the office of the superintendent of public instruction ((~~under (c) of this subsection (5).~~

~~(c) The office of the superintendent of public instruction shall convene group meetings~~)) for the purpose of sharing best practices and strategies in media literacy education((~~.~~

~~(d) Additional activities permitted for the use of these grants include, but are not limited to:~~

~~(i) Organizing teachers from across a school district to develop new~~));

(d) To develop instructional strategies and to share successful strategies((~~;~~

~~(ii) Sharing successful~~))and practices across a group of school districts or an educational service district; ((~~and~~

~~(iii) Facilitating coordination~~))(e) To provide professional development on issues of media literacy, including the state learning standards related to media literacy, which may include training for district leaders, administrative staff, instructional staff, or any combination thereof, and which may be coordinated between educational service districts and school districts ((~~to provide training.~~

~~(6)(a) At least one grant awarded in each award cycle must be for developing and using a curriculum that contains a focus on synthetic media as a major component.~~

~~(b)~~));

(f) To develop strategies to utilize existing funding in integrating media literacy into various subject areas;

(g) To support successful implementation of state learning standards related to media literacy, digital citizenship, or both;

(h) To acquire resources on media literacy instruction and integration.

(3) Any curriculum units, best practices and strategies, trainings, and other resources developed using grants awarded under this section must be submitted to the office of the superintendent of public instruction.

(4) For the purposes of this section, "synthetic media" means an image, an audio recording, or a video recording of an individual's appearance, speech, or conduct that has been intentionally manipulated with the use of digital technology in a manner to create a realistic but false image, audio, or video.

((~~(7)~~))(5) This section expires July 31, ((~~2031~~))2033.

**Sec. 2.** RCW 28A.650.045 and 2017 c 90 s 2 are each amended to read as follows:

(1)((~~(a) By December 1, 2016, the office of the superintendent of public instruction shall develop best practices and recommendations for instruction in digital citizenship, internet safety, and media literacy, and report to the appropriate committees of the legislature, in accordance with RCW 43.01.036, on strategies to implement the best practices and recommendations statewide. The best practices and recommendations must be developed in consultation with an advisory committee as specified in (b) of this subsection. Best practices and recommendations must include instruction that provides guidance about thoughtful, safe, and strategic uses of online and other media resources, and education on how to apply critical thinking skills when consuming and producing information.~~

~~(b) The office of the superintendent of public instruction must convene and consult with an advisory committee when developing best practices and recommendations for instruction in digital citizenship, internet safety, and media literacy. The advisory committee must include: Representatives from the Washington state school directors' association; experts in digital citizenship, internet safety, and media literacy; teacher-librarians as defined in RCW 28A.320.240; and other stakeholders, including parent associations, educators, and administrators. Recommendations produced by the committee may include, but are not limited to:~~

~~(i) Revisions to the state learning standards for educational technology, required under RCW 28A.655.075;~~

~~(ii) Revisions to the model policy and procedures on electronic resources and internet safety developed by the Washington state school directors' association;~~

~~(iii) School district processes necessary to develop customized district policies and procedures on electronic resources and internet safety;~~

~~(iv) Best practices, resources, and models for instruction in digital citizenship, internet safety, and media literacy; and~~

~~(v) Strategies that will support school districts in local implementation of the best practices and recommendations developed by the office of the superintendent of public instruction under (a) of this subsection.~~

~~(2) Beginning in the 2017-18 school year, a~~))Each school district shall annually review its policy and procedures on electronic resources and internet safety. In reviewing and amending the policy and procedures, a school district must:

(a) Involve a representation of students, parents or guardians, teachers, teacher-librarians, other school employees, administrators, and community representatives with experience or expertise in digital citizenship, media literacy, and internet safety issues;

(b) Consider customizing the model policy and procedures on electronic resources and internet safety developed by the Washington state school directors' association;

(c) Consider existing school district resources; and

(d) Consider best practices, resources, and models for instruction in digital citizenship, internet safety, and media literacy, including methods to involve parents.

((~~(3)~~))(2)(a) By December 1, 2017, the Washington state school directors' association shall review and revise its model policy and procedures on electronic resources and internet safety to better support digital citizenship, media literacy, and internet safety in schools. The model policy and procedures must contain provisions requiring that media literacy resources consist of a balance of sources and perspectives.

(b) By December 1, 2017, the Washington state school directors' association shall develop a checklist of items for school districts to consider when updating their policy and procedures under subsection ((~~(2)~~))(1) of this section.

**Sec. 3.** RCW 28A.650.050 and 2017 c 90 s 4 are each amended to read as follows:

(1) The office of the superintendent of public instruction shall create a web-based location with links to recommended successful practices and resources to support digital citizenship, media literacy, and internet safety ((~~for use in the 2017-18 school year. The web-based location must incorporate the information gathered by the survey in section 3, chapter 90, Laws of 2017~~))or may house the recommended successful practices and resources in the open courseware depository identified under RCW 28A.300.803.

(2) ((~~Thereafter, the~~))The office of the superintendent of public instruction shall ((~~continue to~~))periodically identify and develop ((~~additional~~)) open educational resources to support digital citizenship, media literacy, and internet safety in schools for the web-based location created under subsection (1) of this section and may house the open educational resources in the open courseware depository identified under RCW 28A.300.803.

(3) The office of the superintendent of public instruction shall consider adding the curriculum units, best practices and strategies, trainings, and other resources developed using the media literacy and digital citizenship grants awarded under RCW 28A.300.840 to the web-based location created under subsection (1) of this section, the open courseware depository identified under RCW 28A.300.803, or both.

(4) Media literacy resources must consist of a balance of sources and perspectives.

**Sec. 4.** RCW 28A.655.070 and 2019 c 252 s 119 are each amended to read as follows:

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

(2) The superintendent of public instruction shall:

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

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

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

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

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

(i) The assessments developed with a multistate consortium to assess student proficiency in English language arts and mathematics shall be administered beginning in the 2014-15 school year, and beginning with the graduating class of 2020, the assessments must be administered to students in the tenth grade. The reading and writing assessments shall not be administered by the superintendent of public instruction or schools after the 2013-14 school year.

(ii) The high school assessments in English language arts and mathematics in (c)(i) of this subsection shall be used for the purposes of federal and state accountability and for assessing student career and college readiness.

(d) The statewide academic assessment system must also include the Washington access to instruction and measurement assessment for students with significant cognitive challenges.

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

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

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

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

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

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

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

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

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

(11) The superintendent shall review available and appropriate options for competency-based assessments that meet the state learning standards. In accordance with the review required by this subsection, the superintendent shall provide a report and recommendations to the education committees of the house of representatives and the senate by November 1, 2019.

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

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

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

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

(16) The superintendent shall integrate media literacy into relevant state learning standards as the state learning standards are revised, as required under subsection (2) of this section. For the purposes of this subsection, "media literacy" means the ability to:

(a) Access relevant and accurate information using a wide range of forms and sources;

(b) Critically analyze the comprehensiveness, relevance, credibility, authority, and accuracy of information content;

(c) Make informed decisions based on accurate information obtained from media and digital sources;

(d) Recognize the authenticity of artificially generated content derived from information and communication technologies;

(e) Responsibly operate various forms of technology and digital tools; and

(f) Reflect on how the use of media and technology may affect private and public life.

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

(i) The subject matter of the state learning standards;

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

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

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

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

((~~(17)~~))(18) The state board of education may propose new or revised state learning standards to the superintendent. The superintendent must respond to the state board of education's proposal in writing."

Correct the title.

Signed by Representatives Santos, Chair; Shavers, Vice Chair; Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bergquist; Callan; Eslick; Harris; McClintock; Ortiz-Self; Pollet; Sandlin; Steele; Stonier and Timmons.

Referred to Committee on Appropriations

March 28, 2023

SJM 8006 Prime Sponsor, Senator Hasegawa: Requesting that the federal government create a universal health care program. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass. Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Bronoske; Davis; Macri; Orwall; Simmons; Stonier; Thai and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representatives Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Barnard; Graham; Harris; Maycumber; and Mosbrucker.

Referred to Committee on Rules for second reading

## SECOND SUPPLEMENTAL REPORT OF STANDING COMMITTEES

March 29, 2023

SB 5000 Prime Sponsor, Senator Wagoner: Recognizing contributions of Americans of Chinese descent. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature intends to designate a time of year to formally remember and recognize the contributions of Chinese Americans and finds that January of each year is a relevant and appropriate time for such recognition. The legislature finds that the California gold rush began on January 24, 1848, which brought thousands of people to the area, approximately 30 percent of whom were Chinese immigrants. With the immigration to the west as a result of the gold rush, Washington became home to many Chinese immigrants. Chinese immigrants contributed greatly to Washington's economy as miners and workers in the salmon canning industry. The Chinese population in Washington also grew when construction of the Northern Pacific Railroad transcontinental line began in 1871, which ran from Wisconsin and Minnesota to Washington and Oregon, as many laborers who were recruited to work on the railroad were Chinese.

The legislature also finds that designating January of each year as a time to recognize the contributions of Chinese Americans is relevant in acknowledging the contributions of notable early Chinese settlers. Goon Dip was well known as a visionary, philanthropist, and entrepreneur, and is said to be the most influential Chinese immigrant in the Pacific Coast during the early 20th century. Goon Dip created a garment industry in Portland, Oregon where he taught Chinese men who were disabled and unable to perform manual labor how to sew. Goon Dip later expanded his business ventures to Seattle when in January 1909, the Chinese government appointed him as honorary consul for the Alaska-Yukon-Pacific Exposition, Washington's first world's fair, held in Seattle. Anticipating large crowds for the fair, Goon Dip built the Milwaukee Hotel at 662 King Street, which would house hundreds of tourists. Goon Dip was also influential in persuading Chinese businessmen to move Chinatown away from the Elliott Bay tidelands to the area around the new King Street Station at 2nd Avenue and Jackson Street. After his role as honorary consul during the Alaska-Yukon-Pacific Exposition, Goon Dip was named permanent consul and served under both the Manchu dynasty and the Kuomintang. Goon Dip died on September 12, 1933, at the Milwaukee Hotel and is buried in the family plot in Lake View cemetery in Seattle. January is also the birth month of notable contemporary Chinese Americans in the state, including Gary Locke, who graduated from Seattle's Franklin High School and was the first Chinese American elected as Governor in the continental United States, the first Chinese American Secretary of Commerce, and the first Chinese American ambassador to China.

The legislature finds that these and other contributions to the state's rich history and economy by Chinese Americans is worthy of recognition and celebration. The legislature further finds that teaching this history in schools will help to commemorate the important achievements of Chinese Americans.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.117 RCW to read as follows:

(1) With the rise of economic opportunity in America and other parts of the world in the 19th century, the Chinese diaspora is now one of the largest in the world. As a result, many of those who are, or whose ancestors were, part of the Chinese diaspora have varied perspectives, experiences, and approaches in how they preserve their identity as Chinese Americans and Americans of Chinese descent.

(2) January of each year will be designated as a time for people of this state to commemorate the contributions of Chinese Americans and Americans of Chinese descent to the history and heritage of Washington state and shall be designated as Chinese American/Americans of Chinese descent history month.

(3) Public schools are encouraged to designate time in January for appropriate activities in commemoration of the lives, history, achievements, and contributions of Chinese Americans and Americans of Chinese descent."

Correct the title.

Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; Gregerson; Low and Mena.

Referred to Committee on Rules for second reading

March 28, 2023

ESB 5130 Prime Sponsor, Senator Frame: Concerning assisted outpatient treatment. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 71.05.148 and 2022 c 210 s 3 are each amended to read as follows:

(1) A person is in need of assisted outpatient treatment if the court finds by clear, cogent, and convincing evidence pursuant to a petition filed under this section that:

(a) The person has a behavioral health disorder;

(b) Based on a clinical determination and in view of the person's treatment history and current behavior, at least one of the following is true:

(i) The person is unlikely to survive safely in the community without supervision and the person's condition is substantially deteriorating; or

(ii) The person is in need of assisted outpatient treatment in order to prevent a relapse or deterioration that would be likely to result in grave disability or a likelihood of serious harm to the person or to others;

(c) The person has a history of lack of compliance with treatment for his or her behavioral health disorder that has:

(i) At least twice within the 36 months prior to the filing of the petition been a significant factor in necessitating hospitalization of the person, or the person's receipt of services in a forensic or other mental health unit of a state correctional facility or local correctional facility, provided that the 36-month period shall be extended by the length of any hospitalization or incarceration of the person that occurred within the 36-month period;

(ii) At least twice within the 36 months prior to the filing of the petition been a significant factor in necessitating emergency medical care or hospitalization for behavioral health-related medical conditions including overdose, infected abscesses, sepsis, endocarditis, or other maladies, or a significant factor in behavior which resulted in the person's incarceration in a state or local correctional facility; or

(iii) Resulted in one or more violent acts, threats, or attempts to cause serious physical harm to the person or another within the 48 months prior to the filing of the petition, provided that the 48-month period shall be extended by the length of any hospitalization or incarceration of the person that occurred during the 48-month period;

(d) Participation in an assisted outpatient treatment program would be the least restrictive alternative necessary to ensure the person's recovery and stability; and

(e) The person will benefit from assisted outpatient treatment.

(2) The following individuals may directly file a petition for less restrictive alternative treatment on the basis that a person is in need of assisted outpatient treatment:

(a) The director of a hospital where the person is hospitalized or the director's designee;

(b) The director of a behavioral health service provider providing behavioral health care or residential services to the person or the director's designee;

(c) The person's treating mental health professional or substance use disorder professional or one who has evaluated the person;

(d) A designated crisis responder;

(e) A release planner from a corrections facility; or

(f) An emergency room physician.

(3) A court order for less restrictive alternative treatment on the basis that the person is in need of assisted outpatient treatment may be effective for up to 18 months, unless the person is currently detained for inpatient treatment for 14 days or more under RCW 71.05.240 or 71.05.320, in which case the order may be effective for 90 days if the person is currently detained for 14 days of treatment, or 180 days if the person is currently detained for 90 or 180 days of treatment. The petitioner must personally interview the person, unless the person refuses an interview, to determine whether the person will voluntarily receive appropriate treatment.

(4) The petitioner must allege specific facts based on personal observation, evaluation, or investigation, and must consider the reliability or credibility of any person providing information material to the petition.

(5) The petition must include:

(a) A statement of the circumstances under which the person's condition was made known and the basis for the opinion, from personal observation or investigation, that the person is in need of assisted outpatient treatment. The petitioner must state which specific facts come from personal observation and specify what other sources of information the petitioner has relied upon to form this belief;

(b) A declaration from a physician, physician assistant, advanced registered nurse practitioner, ((~~or~~)) the person's treating mental health professional or substance use disorder professional, or in the case of a person enrolled in treatment in a behavioral health agency, the person's behavioral health case manager, who has examined the person no more than 10 days prior to the submission of the petition and who is willing to testify in support of the petition, or who alternatively has made appropriate attempts to examine the person within the same period but has not been successful in obtaining the person's cooperation, and who is willing to testify to the reasons they believe that the person meets the criteria for assisted outpatient treatment((~~. If the declaration is provided by the person's treating mental health professional or substance use disorder professional, it must be cosigned by a supervising physician, physician assistant, or advanced registered nurse practitioner who certifies that they have reviewed the declaration~~));

(c) The declarations of additional witnesses, if any, supporting the petition for assisted outpatient treatment;

(d) The name of an agency, provider, or facility that agrees to provide less restrictive alternative treatment if the petition is granted by the court; and

(e) If the person is detained in a state hospital, inpatient treatment facility, jail, or correctional facility at the time the petition is filed, the anticipated release date of the person and any other details needed to facilitate successful reentry and transition into the community.

(6)(a) Upon receipt of a petition meeting all requirements of this section, the court shall fix a date for a hearing:

(i) No sooner than three days or later than seven days after the date of service or as stipulated by the parties or, upon a showing of good cause, no later than 30 days after the date of service; or

(ii) If the respondent is hospitalized at the time of filing of the petition, before discharge of the respondent and in sufficient time to arrange for a continuous transition from inpatient treatment to assisted outpatient treatment.

(b) A copy of the petition and notice of hearing shall be served, in the same manner as a summons, on the petitioner, the respondent, the qualified professional whose affidavit accompanied the petition, a current provider, if any, and a surrogate decision maker or agent under chapter 71.32 RCW, if any.

(c) If the respondent has a surrogate decision maker or agent under chapter 71.32 RCW who wishes to provide testimony at the hearing, the court shall afford the surrogate decision maker or agent an opportunity to testify.

(d) The respondent shall be represented by counsel at all stages of the proceedings.

(e) If the respondent fails to appear at the hearing after notice, the court may conduct the hearing in the respondent's absence; provided that the respondent's counsel is present.

(f) If the respondent has refused to be examined by the qualified professional whose affidavit accompanied the petition, the court may order a mental examination of the respondent. The examination of the respondent may be performed by the qualified professional whose affidavit accompanied the petition. If the examination is performed by another qualified professional, the examining qualified professional shall be authorized to consult with the qualified professional whose affidavit accompanied the petition.

(g) If the respondent has refused to be examined by a qualified professional and the court finds reasonable grounds to believe that the allegations of the petition are true, the court may issue a written order directing a peace officer who has completed crisis intervention training to detain and transport the respondent to a provider for examination by a qualified professional. A respondent detained pursuant to this subsection shall be detained no longer than necessary to complete the examination and in no event longer than 24 hours.

(7) If the petition involves a person whom the petitioner or behavioral health administrative services organization knows, or has reason to know, is an American Indian or Alaska Native who receives medical or behavioral health services from a tribe within this state, the behavioral health administrative services organization shall notify the tribe and Indian health care provider. Notification shall be made in person or by telephonic or electronic communication to the tribal contact listed in the authority's tribal crisis coordination plan as soon as possible.

(8) A petition for assisted outpatient treatment filed under this section shall be adjudicated under RCW 71.05.240.

(9) ((~~After January 1, 2023, a~~))A petition for assisted outpatient treatment must be filed on forms developed by the administrative office of the courts.

**Sec. 2.** RCW 71.05.365 and 2022 c 210 s 19 are each amended to read as follows:

When a person has been involuntarily committed for treatment to a hospital for a period of 90 or 180 days, and the superintendent or professional person in charge of the hospital determines that the person no longer requires active psychiatric treatment at an inpatient level of care, the behavioral health administrative services organization, managed care organization, or agency providing oversight of long-term care or developmental disability services that is responsible for resource management services for the person must work with the hospital to develop an individualized discharge plan((~~, including whether a petition should be filed for less restrictive alternative treatment on the basis that the person is in need of assisted outpatient treatment,~~)) and arrange for a transition to the community in accordance with the person's individualized discharge plan within 14 days of the determination.

**Sec. 3.** RCW 71.05.590 and 2022 c 210 s 23 are each amended to read as follows:

(1) ((~~Either an~~))An agency or facility designated to monitor or provide less restrictive alternative treatment services under a ((~~less restrictive alternative~~))court order or conditional release, or a designated crisis responder, may take action to enforce, modify, or revoke ((~~a~~))the less restrictive alternative treatment order or conditional release ((~~order. The~~))if the agency, facility, or designated crisis responder ((~~must determine~~))determines that:

(a) The person is failing to adhere to the terms and conditions of the order;

(b) Substantial deterioration in the person's functioning has occurred;

(c) There is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further evaluation, intervention, or treatment; or

(d) The person poses a likelihood of serious harm.

(2) Actions taken under this section must include a flexible range of responses of varying levels of intensity appropriate to

the circumstances and consistent with the interests of the individual and the public in personal autonomy, safety, recovery, and compliance. Available actions may include, but are not limited to, any of the following:

(a) To counsel or advise the person as to their rights and responsibilities under the court order, and to offer incentives to motivate compliance;

(b) To increase the intensity of outpatient services provided to the person by increasing the frequency of contacts with the provider, referring the person for an assessment for assertive community services, or by other means;

(c) To request a court hearing for review and modification of the court order. The request must be directed to the court with jurisdiction over the order and specify the circumstances that give rise to the request and what modification is being sought. The county prosecutor shall assist the entity requesting the hearing and issue an appropriate summons to the person. This subsection does not limit the inherent authority of a treatment provider to alter conditions of treatment for clinical reasons, and is intended to be used only when court intervention is necessary or advisable to secure the person's compliance and prevent decompensation or deterioration;

(d) To detain the person for up to 12 hours for evaluation at an agency, facility providing services under the court order, triage facility, crisis stabilization unit, emergency department, evaluation and treatment facility, secure withdrawal management and stabilization facility with available space, or an approved substance use disorder treatment program with available space. The purpose of the evaluation is to determine whether modification, revocation, or commitment proceedings are necessary and appropriate to stabilize the person and prevent decompensation, deterioration, or physical harm. Temporary detention for evaluation under this subsection is intended to occur only following a pattern of noncompliance or the failure of reasonable attempts at outreach and engagement, and may occur only when, based on clinical judgment, temporary detention is appropriate. The agency, facility, or designated crisis responder may request assistance from a peace officer for the purposes of temporary detention under this subsection (2)(d). This subsection does not limit the ability or obligation of the agency, facility, or designated crisis responder to pursue revocation procedures under subsection (5) of this section in appropriate circumstances; and

(e) To initiate revocation procedures under subsection (5) of this section.

(3) A court may supervise a person on an order for less restrictive alternative treatment or a conditional release. While the person is under the order, the court may:

(a) Require appearance in court for periodic reviews; and

(b) Modify the order after considering input from the agency or facility designated to provide or facilitate services. The court may not remand the person into inpatient treatment except as provided under subsection (5) of this section, but may take actions under subsection (2)(a) through (d) of this section.

(4) The facility or agency designated to provide outpatient treatment shall notify the secretary of the department of social and health services or designated crisis responder when a person fails to adhere to terms and conditions of court ordered treatment or experiences substantial deterioration in his or her condition and, as a result, presents an increased likelihood of serious harm.

(5)(a) A designated crisis responder or the secretary of the department of social and health services may, upon their own motion or upon request of the facility or agency designated to provide outpatient care, cause a person to be detained in an evaluation and treatment facility, available secure withdrawal management and stabilization facility with adequate space, or available approved substance use disorder treatment program with adequate space in or near the county in which he or she is receiving outpatient treatment for the purpose of a hearing for revocation of a less restrictive alternative treatment order or conditional release order under this chapter. The designated crisis responder or secretary of the department of social and health services shall file a petition for revocation within 24 hours and serve the person, their guardian, if any, and their attorney. A hearing for revocation of a less restrictive alternative treatment order or conditional release order may be scheduled without detention of the person.

(b) A person detained under this subsection (5) must be held until such time, not exceeding five days, as a hearing can be scheduled to determine whether or not the order for less restrictive alternative treatment or conditional release should be revoked, modified, or retained. If the person is not detained, the hearing must be scheduled within five days of service on the person. The designated crisis responder or the secretary of the department of social and health services may withdraw its petition for revocation at any time before the court hearing.

(c) A person detained under this subsection (5) has the same rights with respect to notice, hearing, and counsel as in any involuntary treatment proceeding, except as specifically set forth in this section. There is no right to jury trial. The venue for proceedings is the county where the petition is filed. Notice of the filing must be provided to the court that originally ordered commitment, if different from the court where the petition for revocation is filed, within two judicial days of the person's detention.

(d) The issues for the court to determine are whether: (i) The person adhered to the terms and conditions of the order or conditional release; (ii) substantial deterioration in the person's functioning has occurred; (iii) there is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further inpatient treatment; or (iv) there is a likelihood of serious harm;

and, if any of the above conditions apply, whether it is appropriate for the court to reinstate or modify the person's less restrictive alternative treatment order or conditional release ((~~order~~)) or order the person's detention for inpatient treatment. The person may waive the court hearing and allow the court to enter a stipulated order upon the agreement of all parties. If the court orders detention for inpatient treatment, the treatment period must be for 14 days from the revocation hearing if the less restrictive alternative treatment order or conditional release ((~~order~~)) was based on a petition under RCW 71.05.148, 71.05.160, or 71.05.230. The person must return to less restrictive alternative treatment under the order at the end of the 14-day period unless a petition for further treatment is filed under RCW 71.05.320 or the person accepts voluntary treatment. If the court orders detention for inpatient treatment and the less restrictive alternative treatment order or conditional release ((~~order~~)) was based on a petition under RCW 71.05.290 or 71.05.320, the number of days remaining on the order must be converted to days of inpatient treatment. A court may not detain a person for inpatient treatment to a secure withdrawal management and stabilization facility or approved substance use disorder treatment program under this subsection unless there is a facility or program available with adequate space for the person.

(6) In determining whether or not to take action under this section the designated crisis responder, agency, or facility must consider the factors specified under RCW 71.05.212 and the court must consider the factors specified under RCW 71.05.245 as they apply to the question of whether to enforce, modify, or revoke a court order for involuntary treatment.

**Sec. 4.** RCW 71.05.590 and 2022 c 210 s 24 are each amended to read as follows:

(1) ((~~Either an~~))An agency or facility designated to monitor or provide less restrictive alternative treatment services under a ((~~less restrictive alternative~~))court order or conditional release, or a designated crisis responder, may take action to enforce, modify, or revoke ((~~a~~))the less restrictive alternative treatment order or conditional release ((~~order. The~~))if the agency, facility, or designated crisis responder ((~~must determine~~))determines that:

(a) The person is failing to adhere to the terms and conditions of the order;

(b) Substantial deterioration in the person's functioning has occurred;

(c) There is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further evaluation, intervention, or treatment; or

(d) The person poses a likelihood of serious harm.

(2) Actions taken under this section must include a flexible range of responses of varying levels of intensity appropriate to the circumstances and consistent with the interests of the individual and the public in personal autonomy, safety, recovery, and compliance. Available actions may include, but are not limited to, any of the following:

(a) To counsel or advise the person as to their rights and responsibilities under the court order, and to offer incentives to motivate compliance;

(b) To increase the intensity of outpatient services provided to the person by increasing the frequency of contacts with the provider, referring the person for an assessment for assertive community services, or by other means;

(c) To request a court hearing for review and modification of the court order. The request must be directed to the court with jurisdiction over the order and specify the circumstances that give rise to the request and what modification is being sought. The county prosecutor shall assist ((~~[the]~~))the entity requesting the hearing and issue an appropriate summons to the person. This subsection does not limit the inherent authority of a treatment provider to alter conditions of treatment for clinical reasons, and is intended to be used only when court intervention is necessary or advisable to secure the person's compliance and prevent decompensation or deterioration;

(d) To detain the person for up to 12 hours for evaluation at an agency, facility providing services under the court order, triage facility, crisis stabilization unit, emergency department, evaluation and treatment facility, secure withdrawal management and stabilization facility, or an approved substance use disorder treatment program. The purpose of the evaluation is to determine whether modification, revocation, or commitment proceedings are necessary and appropriate to stabilize the person and prevent decompensation, deterioration, or physical harm. Temporary detention for evaluation under this subsection is intended to occur only following a pattern of noncompliance or the failure of reasonable attempts at outreach and engagement, and may occur only when, based on clinical judgment, temporary detention is appropriate. The agency, facility, or designated crisis responder may request assistance from a peace officer for the purposes of temporary detention under this subsection (2)(d). This subsection does not limit the ability or obligation of the agency, facility, or designated crisis responder to pursue revocation procedures under subsection (5) of this section in appropriate circumstances; and

(e) To initiate revocation procedures under subsection (5) of this section.

(3) A court may supervise a person on an order for less restrictive alternative treatment or a conditional release. While the person is under the order, the court may:

(a) Require appearance in court for periodic reviews; and

(b) Modify the order after considering input from the agency or facility designated to provide or facilitate services. The court may not remand the person into inpatient treatment except as provided under subsection (5) of this section, but may take

actions under subsection (2)(a) through (d) of this section.

(4) The facility or agency designated to provide outpatient treatment shall notify the secretary of the department of social and health services or designated crisis responder when a person fails to adhere to terms and conditions of court ordered treatment or experiences substantial deterioration in his or her condition and, as a result, presents an increased likelihood of serious harm.

(5)(a) A designated crisis responder or the secretary of the department of social and health services may, upon their own motion or upon request of the facility or agency designated to provide outpatient care, cause a person to be detained in an evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program in or near the county in which he or she is receiving outpatient treatment for the purpose of a hearing for revocation of a less restrictive alternative treatment order or conditional release ((~~order~~)) under this chapter. The designated crisis responder or secretary of the department of social and health services shall file a petition for revocation within 24 hours and serve the person, their guardian, if any, and their attorney. A hearing for revocation of a less restrictive alternative treatment order or conditional release ((~~order~~)) may be scheduled without detention of the person.

(b) A person detained under this subsection (5) must be held until such time, not exceeding five days, as a hearing can be scheduled to determine whether or not the order for less restrictive alternative treatment or conditional release should be revoked, modified, or retained. If the person is not detained, the hearing must be scheduled within five days of service on the person. The designated crisis responder or the secretary of the department of social and health services may withdraw its petition for revocation at any time before the court hearing.

(c) A person detained under this subsection (5) has the same rights with respect to notice, hearing, and counsel as in any involuntary treatment proceeding, except as specifically set forth in this section. There is no right to jury trial. The venue for proceedings is the county where the petition is filed. Notice of the filing must be provided to the court that originally ordered commitment, if different from the court where the petition for revocation is filed, within two judicial days of the person's detention.

(d) The issues for the court to determine are whether: (i) The person adhered to the terms and conditions of the order or conditional release; (ii) substantial deterioration in the person's functioning has occurred; (iii) there is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further inpatient treatment; or (iv) there is a likelihood of serious harm; and, if any of the above conditions apply, whether it is appropriate for the court to reinstate or modify the person's less restrictive alternative treatment order or conditional release ((~~order~~)) or order the person's detention for inpatient treatment. The person may waive the court hearing and allow the court to enter a stipulated order upon the agreement of all parties. If the court orders detention for inpatient treatment, the treatment period must be for 14 days from the revocation hearing if the less restrictive alternative treatment order or conditional release ((~~order~~)) was based on a petition under RCW 71.05.148, 71.05.160, or 71.05.230. The person must return to less restrictive alternative treatment under the order at the end of the 14-day period unless a petition for further treatment is filed under RCW 71.05.320 or the person accepts voluntary treatment. If the court orders detention for inpatient treatment and the less restrictive alternative treatment order or conditional release ((~~order~~)) was based on a petition under RCW 71.05.290 or 71.05.320, the number of days remaining on the order must be converted to days of inpatient treatment.

(6) In determining whether or not to take action under this section the designated crisis responder, agency, or facility must consider the factors specified under RCW 71.05.212 and the court must consider the factors specified under RCW 71.05.245 as they apply to the question of whether to enforce, modify, or revoke a court order for involuntary treatment.

**Sec. 5.** RCW 71.34.020 and 2021 c 264 s 26 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Admission" or "admit" means a decision by a physician, physician assistant, or psychiatric advanced registered nurse practitioner that a minor should be examined or treated as a patient in a hospital.

(2) "Adolescent" means a minor thirteen years of age or older.

(3) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(4) "Antipsychotic medications" means that class of drugs primarily used to treat serious manifestations of mental illness associated with thought disorders, which includes, but is not limited to, atypical antipsychotic medications.

(5) "Approved substance use disorder treatment program" means a program for minors with substance use disorders provided by a treatment program licensed or certified by the department of health as meeting standards adopted under chapter 71.24 RCW.

(6) "Attending staff" means any person on the staff of a public or private agency having responsibility for the care and treatment of a minor patient.

(7) "Authority" means the Washington state health care authority.

(8) "Behavioral health administrative services organization" has the same meaning as provided in RCW 71.24.025.

(9) "Behavioral health disorder" means either a mental disorder as defined in this section, a substance use disorder as defined in this section, or a co-occurring mental disorder and substance use disorder.

(10) "Child psychiatrist" means a person having a license as a physician and surgeon in this state, who has had graduate training in child psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and who is board eligible or board certified in child psychiatry.

(11) "Children's mental health specialist" means:

(a) A mental health professional who has completed a minimum of one hundred actual hours, not quarter or semester hours, of specialized training devoted to the study of child development and the treatment of children; and

(b) A mental health professional who has the equivalent of one year of full-time experience in the treatment of children under the supervision of a children's mental health specialist.

(12) "Commitment" means a determination by a judge or court commissioner, made after a commitment hearing, that the minor is in need of inpatient diagnosis, evaluation, or treatment or that the minor is in need of less restrictive alternative treatment.

(13) "Conditional release" means a revocable modification of a commitment, which may be revoked upon violation of any of its terms.

(14) "Co-occurring disorder specialist" means an individual possessing an enhancement granted by the department of health under chapter 18.205 RCW that certifies the individual to provide substance use disorder counseling subject to the practice limitations under RCW 18.205.105.

(15) "Crisis stabilization unit" means a short-term facility or a portion of a facility licensed or certified by the department of health under RCW 71.24.035, such as a residential treatment facility or a hospital, which has been designed to assess, diagnose, and treat individuals experiencing an acute crisis without the use of long-term hospitalization.

(16) "Custody" means involuntary detention under the provisions of this chapter or chapter 10.77 RCW, uninterrupted by any period of unconditional release from commitment from a facility providing involuntary care and treatment.

(17) "Department" means the department of social and health services.

(18) "Designated crisis responder" has the same meaning as provided in RCW 71.05.020.

(19) "Detention" or "detain" means the lawful confinement of a person, under the provisions of this chapter.

(20) "Developmental disabilities professional" means a person who has specialized training and three years of experience in directly treating or working with persons with developmental disabilities and is a psychiatrist, physician assistant working with a supervising psychiatrist, psychologist, psychiatric advanced registered nurse practitioner, or social worker, and such other developmental disabilities professionals as may be defined by rules adopted by the secretary of the department.

(21) "Developmental disability" has the same meaning as defined in RCW 71A.10.020.

(22) "Director" means the director of the authority.

(23) "Discharge" means the termination of hospital medical authority. The commitment may remain in place, be terminated, or be amended by court order.

(24) "Evaluation and treatment facility" means a public or private facility or unit that is licensed or certified by the department of health to provide emergency, inpatient, residential, or outpatient mental health evaluation and treatment services for minors. A physically separate and separately operated portion of a state hospital may be designated as an evaluation and treatment facility for minors. A facility which is part of or operated by the state or federal agency does not require licensure or certification. No correctional institution or facility, juvenile court detention facility, or jail may be an evaluation and treatment facility within the meaning of this chapter.

(25) "Evaluation and treatment program" means the total system of services and facilities coordinated and approved by a county or combination of counties for the evaluation and treatment of minors under this chapter.

(26) "Gravely disabled minor" means a minor who, as a result of a behavioral health disorder, (a) is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety, or (b) manifests severe deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety.

(27) "Habilitative services" means those services provided by program personnel to assist minors in acquiring and maintaining life skills and in raising their levels of physical, behavioral, social, and vocational functioning. Habilitative services include education, training for employment, and therapy.

(28) "Hearing" means any proceeding conducted in open court that conforms to the requirements of RCW 71.34.910.

(29) "History of one or more violent acts" refers to the period of time five years prior to the filing of a petition under this chapter, excluding any time spent, but not any violent acts committed, in a mental health facility, a long-term substance use disorder treatment facility, or in confinement as a result of a criminal conviction.

(30) "Individualized service plan" means a plan prepared by a developmental disabilities professional with other professionals as a team, for a person with developmental disabilities, which states:

(a) The nature of the person's specific problems, prior charged criminal behavior, and habilitation needs;

(b) The conditions and strategies necessary to achieve the purposes of habilitation;

(c) The intermediate and long-range goals of the habilitation program, with a projected timetable for the attainment;

(d) The rationale for using this plan of habilitation to achieve those intermediate and long-range goals;

(e) The staff responsible for carrying out the plan;

(f) Where relevant in light of past criminal behavior and due consideration for public safety, the criteria for proposed movement to less-restrictive settings, criteria for proposed eventual discharge or release, and a projected possible date for discharge or release; and

(g) The type of residence immediately anticipated for the person and possible future types of residences.

(31)(a) "Inpatient treatment" means twenty-four-hour-per-day mental health care provided within a general hospital, psychiatric hospital, residential treatment facility licensed or certified by the department of health as an evaluation and treatment facility for minors, secure withdrawal management and stabilization facility for minors, or approved substance use disorder treatment program for minors.

(b) For purposes of family-initiated treatment under RCW 71.34.600 through 71.34.670, "inpatient treatment" has the meaning included in (a) of this subsection and any other residential treatment facility licensed under chapter 71.12 RCW.

(32) "Intoxicated minor" means a minor whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other psychoactive chemicals.

(33) "Judicial commitment" means a commitment by a court pursuant to the provisions of this chapter.

(34) "Kinship caregiver" has the same meaning as in RCW 74.13.031(19)(a).

(35) "Legal counsel" means attorneys and staff employed by county prosecutor offices or the state attorney general acting in their capacity as legal representatives of public behavioral health service providers under RCW 71.05.130.

(36) "Less restrictive alternative" or "less restrictive setting" means outpatient treatment provided to a minor as a program of individualized treatment in a less restrictive setting than inpatient treatment ((~~that~~)). This term includes the services described in RCW 71.34.755, including residential treatment, and treatment pursuant to an assisted outpatient treatment order under RCW 71.34.815.

(37) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

(38) "Likelihood of serious harm" means:

(a) A substantial risk that: (i) Physical harm will be inflicted by a minor upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself; (ii) physical harm will be inflicted by a minor upon another individual, as evidenced by behavior which has caused such harm or which places another person or persons in reasonable fear of sustaining such harm; or (iii) physical harm will be inflicted by a minor upon the property of others, as evidenced by behavior which has caused substantial loss or damage to the property of others; or

(b) The minor has threatened the physical safety of another and has a history of one or more violent acts.

(39) "Managed care organization" has the same meaning as provided in RCW 71.24.025.

(40) "Medical clearance" means a physician or other health care provider has determined that a person is medically stable and ready for referral to the designated crisis responder.

(41) "Medical necessity" for inpatient care means a requested service which is reasonably calculated to: (a) Diagnose, correct, cure, or alleviate a mental disorder or substance use disorder; or (b) prevent the progression of a mental disorder or substance use disorder that endangers life or causes suffering and pain, or results in illness or infirmity or threatens to cause or aggravate a disability, or causes physical deformity or malfunction, and there is no adequate less restrictive alternative available.

(42) "Mental disorder" means any organic, mental, or emotional impairment that has substantial adverse effects on an individual's cognitive or volitional functions. The presence of alcohol abuse, drug abuse, juvenile criminal history, antisocial behavior, or intellectual disabilities alone is insufficient to justify a finding of "mental disorder" within the meaning of this section.

(43) "Mental health professional" means a psychiatrist, psychiatric advanced registered nurse practitioner, physician assistant working with a supervising psychiatrist, psychologist, psychiatric nurse, social worker, and such other mental health professionals as defined by rules adopted by the secretary of the department of health under this chapter.

(44) "Minor" means any person under the age of eighteen years.

(45) "Outpatient treatment" means any of the nonresidential services mandated under chapter 71.24 RCW and provided by licensed or certified behavioral health agencies as identified by RCW 71.24.025.

(46)(a) "Parent" has the same meaning as defined in RCW 26.26A.010, including either parent if custody is shared under a joint custody agreement, or a person or agency judicially appointed as legal guardian or custodian of the child.

(b) For purposes of family-initiated treatment under RCW 71.34.600 through 71.34.670, "parent" also includes a person to whom a parent defined in (a) of this subsection has given a signed authorization to make health care decisions for the adolescent, a stepparent who is involved in caring for the adolescent, a kinship caregiver who is involved in caring for the adolescent, or another relative who is responsible for the health care of the adolescent, who may be required to provide a

declaration under penalty of perjury stating that he or she is a relative responsible for the health care of the adolescent pursuant to chapter 5.50 RCW. If a dispute arises between individuals authorized to act as a parent for the purpose of RCW 71.34.600 through 71.34.670, the disagreement must be resolved according to the priority established under RCW 7.70.065(2)(a).

(47) "Peace officer" means a law enforcement official of a public agency or governmental unit, and includes persons specifically given peace officer powers by any state law, local ordinance, or judicial order of appointment.

(48) "Physician assistant" means a person licensed as a physician assistant under chapter 18.71A RCW.

(49) "Private agency" means any person, partnership, corporation, or association that is not a public agency, whether or not financed in whole or in part by public funds, that constitutes an evaluation and treatment facility or private institution, or hospital, or approved substance use disorder treatment program, that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders.

(50) "Professional person in charge" or "professional person" means a physician, other mental health professional, or other person empowered by an evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program with authority to make admission and discharge decisions on behalf of that facility.

(51) "Psychiatric nurse" means a registered nurse who has experience in the direct treatment of persons who have a mental illness or who are emotionally disturbed, such experience gained under the supervision of a mental health professional.

(52) "Psychiatrist" means a person having a license as a physician in this state who has completed residency training in psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and is board eligible or board certified in psychiatry.

(53) "Psychologist" means a person licensed as a psychologist under chapter 18.83 RCW.

(54) "Public agency" means any evaluation and treatment facility or institution, or hospital, or approved substance use disorder treatment program that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders if the agency is operated directly by federal, state, county, or municipal government, or a combination of such governments.

(55) "Release" means legal termination of the commitment under the provisions of this chapter.

(56) "Resource management services" has the meaning given in chapter 71.24 RCW.

(57) "Responsible other" means the minor, the minor's parent or estate, or any other person legally responsible for support of the minor.

(58) "Secretary" means the secretary of the department or secretary's designee.

(59) "Secure withdrawal management and stabilization facility" means a facility operated by either a public or private agency or by the program of an agency which provides care to voluntary individuals and individuals involuntarily detained and committed under this chapter for whom there is a likelihood of serious harm or who are gravely disabled due to the presence of a substance use disorder. Secure withdrawal management and stabilization facilities must:

(a) Provide the following services:

(i) Assessment and treatment, provided by certified substance use disorder professionals or co-occurring disorder specialists;

(ii) Clinical stabilization services;

(iii) Acute or subacute detoxification services for intoxicated individuals; and

(iv) Discharge assistance provided by certified substance use disorder professionals or co-occurring disorder specialists, including facilitating transitions to appropriate voluntary or involuntary inpatient services or to less restrictive alternatives as appropriate for the individual;

(b) Include security measures sufficient to protect the patients, staff, and community; and

(c) Be licensed or certified as such by the department of health.

(60) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

(61) "Start of initial detention" means the time of arrival of the minor at the first evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program offering inpatient treatment if the minor is being involuntarily detained at the time. With regard to voluntary patients, "start of initial detention" means the time at which the minor gives notice of intent to leave under the provisions of this chapter.

(62) "Store and forward technology" means use of an asynchronous transmission of a person's medical information from a mental health service provider to the designated crisis responder which results in medical diagnosis, consultation, or treatment.

(63) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(64) "Substance use disorder professional" means a person certified as a substance use disorder professional by the department of health under chapter 18.205 RCW.

(65) "Therapeutic court personnel" means the staff of a mental health court or other therapeutic court which has jurisdiction

over defendants who are dually diagnosed with mental disorders, including court personnel, probation officers, a court monitor, prosecuting attorney, or defense counsel acting within the scope of therapeutic court duties.

(66) "Treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department, the department of health, the authority, behavioral health organizations and their staffs, and by treatment facilities. Treatment records include mental health information contained in a medical bill including but not limited to mental health drugs, a mental health diagnosis, provider name, and dates of service stemming from a medical service. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department, the department of health, the authority, behavioral health organizations, or a treatment facility if the notes or records are not available to others.

(67) "Triage facility" means a short-term facility or a portion of a facility licensed or certified by the department of health under RCW 71.24.035, which is designed as a facility to assess and stabilize an individual or determine the need for involuntary commitment of an individual, and must meet department of health residential treatment facility standards. A triage facility may be structured as a voluntary or involuntary placement facility.

(68) "Video" means the delivery of behavioral health services through the use of interactive audio and video technology, permitting real-time communication between a person and a designated crisis responder, for the purpose of evaluation. "Video" does not include the use of audio-only telephone, facsimile, email, or store and forward technology.

(69) "Violent act" means behavior that resulted in homicide, attempted suicide, injury, or substantial loss or damage to property.

(70) "In need of assisted outpatient treatment" refers to a minor who meets the criteria for assisted outpatient treatment established under RCW 71.34.815.

**Sec. 6.** RCW 71.34.020 and 2021 c 264 s 28 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Admission" or "admit" means a decision by a physician, physician assistant, or psychiatric advanced registered nurse practitioner that a minor should be examined or treated as a patient in a hospital.

(2) "Adolescent" means a minor thirteen years of age or older.

(3) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(4) "Antipsychotic medications" means that class of drugs primarily used to treat serious manifestations of mental illness associated with thought disorders, which includes, but is not limited to, atypical antipsychotic medications.

(5) "Approved substance use disorder treatment program" means a program for minors with substance use disorders provided by a treatment program licensed or certified by the department of health as meeting standards adopted under chapter 71.24 RCW.

(6) "Attending staff" means any person on the staff of a public or private agency having responsibility for the care and treatment of a minor patient.

(7) "Authority" means the Washington state health care authority.

(8) "Behavioral health administrative services organization" has the same meaning as provided in RCW 71.24.025.

(9) "Behavioral health disorder" means either a mental disorder as defined in this section, a substance use disorder as defined in this section, or a co-occurring mental disorder and substance use disorder.

(10) "Child psychiatrist" means a person having a license as a physician and surgeon in this state, who has had graduate training in child psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and who is board eligible or board certified in child psychiatry.

(11) "Children's mental health specialist" means:

(a) A mental health professional who has completed a minimum of one hundred actual hours, not quarter or semester hours, of specialized training devoted to the study of child development and the treatment of children; and

(b) A mental health professional who has the equivalent of one year of full-time experience in the treatment of children under the supervision of a children's mental health specialist.

(12) "Commitment" means a determination by a judge or court commissioner, made after a commitment hearing, that the minor is in need of inpatient diagnosis, evaluation, or treatment or that the minor is in need of less restrictive alternative treatment.

(13) "Conditional release" means a revocable modification of a commitment, which may be revoked upon violation of any of its terms.

(14) "Co-occurring disorder specialist" means an individual possessing an enhancement granted by the department of health under chapter 18.205 RCW that certifies the individual to provide substance use disorder counseling subject to the practice limitations under RCW 18.205.105.

(15) "Crisis stabilization unit" means a short-term facility or a portion of a facility licensed or certified by the department of health under RCW 71.24.035, such as a residential treatment facility or a hospital, which has been designed to assess, diagnose, and treat individuals

experiencing an acute crisis without the use of long-term hospitalization.

(16) "Custody" means involuntary detention under the provisions of this chapter or chapter 10.77 RCW, uninterrupted by any period of unconditional release from commitment from a facility providing involuntary care and treatment.

(17) "Department" means the department of social and health services.

(18) "Designated crisis responder" has the same meaning as provided in RCW 71.05.020.

(19) "Detention" or "detain" means the lawful confinement of a person, under the provisions of this chapter.

(20) "Developmental disabilities professional" means a person who has specialized training and three years of experience in directly treating or working with persons with developmental disabilities and is a psychiatrist, physician assistant working with a supervising psychiatrist, psychologist, psychiatric advanced registered nurse practitioner, or social worker, and such other developmental disabilities professionals as may be defined by rules adopted by the secretary of the department.

(21) "Developmental disability" has the same meaning as defined in RCW 71A.10.020.

(22) "Director" means the director of the authority.

(23) "Discharge" means the termination of hospital medical authority. The commitment may remain in place, be terminated, or be amended by court order.

(24) "Evaluation and treatment facility" means a public or private facility or unit that is licensed or certified by the department of health to provide emergency, inpatient, residential, or outpatient mental health evaluation and treatment services for minors. A physically separate and separately operated portion of a state hospital may be designated as an evaluation and treatment facility for minors. A facility which is part of or operated by the state or federal agency does not require licensure or certification. No correctional institution or facility, juvenile court detention facility, or jail may be an evaluation and treatment facility within the meaning of this chapter.

(25) "Evaluation and treatment program" means the total system of services and facilities coordinated and approved by a county or combination of counties for the evaluation and treatment of minors under this chapter.

(26) "Gravely disabled minor" means a minor who, as a result of a behavioral health disorder, (a) is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety, or (b) manifests severe deterioration from safe behavior evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety.

(27) "Habilitative services" means those services provided by program personnel to assist minors in acquiring and maintaining life skills and in raising their levels of physical, behavioral, social, and vocational functioning. Habilitative services include education, training for employment, and therapy.

(28) "Hearing" means any proceeding conducted in open court that conforms to the requirements of RCW 71.34.910.

(29) "History of one or more violent acts" refers to the period of time five years prior to the filing of a petition under this chapter, excluding any time spent, but not any violent acts committed, in a mental health facility, a long-term substance use disorder treatment facility, or in confinement as a result of a criminal conviction.

(30) "Individualized service plan" means a plan prepared by a developmental disabilities professional with other professionals as a team, for a person with developmental disabilities, which states:

(a) The nature of the person's specific problems, prior charged criminal behavior, and habilitation needs;

(b) The conditions and strategies necessary to achieve the purposes of habilitation;

(c) The intermediate and long-range goals of the habilitation program, with a projected timetable for the attainment;

(d) The rationale for using this plan of habilitation to achieve those intermediate and long-range goals;

(e) The staff responsible for carrying out the plan;

(f) Where relevant in light of past criminal behavior and due consideration for public safety, the criteria for proposed movement to less-restrictive settings, criteria for proposed eventual discharge or release, and a projected possible date for discharge or release; and

(g) The type of residence immediately anticipated for the person and possible future types of residences.

(31)(a) "Inpatient treatment" means twenty-four-hour-per-day mental health care provided within a general hospital, psychiatric hospital, residential treatment facility licensed or certified by the department of health as an evaluation and treatment facility for minors, secure withdrawal management and stabilization facility for minors, or approved substance use disorder treatment program for minors.

(b) For purposes of family-initiated treatment under RCW 71.34.600 through 71.34.670, "inpatient treatment" has the meaning included in (a) of this subsection and any other residential treatment facility licensed under chapter 71.12 RCW.

(32) "Intoxicated minor" means a minor whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other psychoactive chemicals.

(33) "Judicial commitment" means a commitment by a court pursuant to the provisions of this chapter.

(34) "Kinship caregiver" has the same meaning as in RCW 74.13.031(19)(a).

(35) "Legal counsel" means attorneys and staff employed by county prosecutor offices or the state attorney general acting in their capacity as legal representatives of public behavioral health service providers under RCW 71.05.130.

(36) "Less restrictive alternative" or "less restrictive setting" means outpatient treatment provided to a minor as a program of individualized treatment in a less restrictive setting than inpatient treatment ((~~that~~)). This term includes the services described in RCW 71.34.755, including residential treatment, and treatment pursuant to an assisted outpatient treatment order under RCW 71.34.815.

(37) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

(38) "Likelihood of serious harm" means:

(a) A substantial risk that: (i) Physical harm will be inflicted by a minor upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself; (ii) physical harm will be inflicted by a minor upon another individual, as evidenced by behavior which has caused harm, substantial pain, or which places another person or persons in reasonable fear of harm to themselves or others; or (iii) physical harm will be inflicted by a minor upon the property of others, as evidenced by behavior which has caused substantial loss or damage to the property of others; or

(b) The minor has threatened the physical safety of another and has a history of one or more violent acts.

(39) "Managed care organization" has the same meaning as provided in RCW 71.24.025.

(40) "Medical clearance" means a physician or other health care provider has determined that a person is medically stable and ready for referral to the designated crisis responder.

(41) "Medical necessity" for inpatient care means a requested service which is reasonably calculated to: (a) Diagnose, correct, cure, or alleviate a mental disorder or substance use disorder; or (b) prevent the progression of a mental disorder or substance use disorder that endangers life or causes suffering and pain, or results in illness or infirmity or threatens to cause or aggravate a disability, or causes physical deformity or malfunction, and there is no adequate less restrictive alternative available.

(42) "Mental disorder" means any organic, mental, or emotional impairment that has substantial adverse effects on an individual's cognitive or volitional functions. The presence of alcohol abuse, drug abuse, juvenile criminal history, antisocial behavior, or intellectual disabilities alone is insufficient to justify a finding of "mental disorder" within the meaning of this section.

(43) "Mental health professional" means a psychiatrist, psychiatric advanced registered nurse practitioner, physician assistant working with a supervising psychiatrist, psychologist, psychiatric nurse, social worker, and such other mental health professionals as defined by rules adopted by the secretary of the department of health under this chapter.

(44) "Minor" means any person under the age of eighteen years.

(45) "Outpatient treatment" means any of the nonresidential services mandated under chapter 71.24 RCW and provided by licensed or certified behavioral health agencies as identified by RCW 71.24.025.

(46)(a) "Parent" has the same meaning as defined in RCW 26.26A.010, including either parent if custody is shared under a joint custody agreement, or a person or agency judicially appointed as legal guardian or custodian of the child.

(b) For purposes of family-initiated treatment under RCW 71.34.600 through 71.34.670, "parent" also includes a person to whom a parent defined in (a) of this subsection has given a signed authorization to make health care decisions for the adolescent, a stepparent who is involved in caring for the adolescent, a kinship caregiver who is involved in caring for the adolescent, or another relative who is responsible for the health care of the adolescent, who may be required to provide a declaration under penalty of perjury stating that he or she is a relative responsible for the health care of the adolescent pursuant to chapter 5.50 RCW. If a dispute arises between individuals authorized to act as a parent for the purpose of RCW 71.34.600 through 71.34.670, the disagreement must be resolved according to the priority established under RCW 7.70.065(2)(a).

(47) "Peace officer" means a law enforcement official of a public agency or governmental unit, and includes persons specifically given peace officer powers by any state law, local ordinance, or judicial order of appointment.

(48) "Physician assistant" means a person licensed as a physician assistant under chapter 18.71A RCW.

(49) "Private agency" means any person, partnership, corporation, or association that is not a public agency, whether or not financed in whole or in part by public funds, that constitutes an evaluation and treatment facility or private institution, or hospital, or approved substance use disorder treatment program, that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders.

(50) "Professional person in charge" or "professional person" means a physician, other mental health professional, or other person empowered by an evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program with authority to make admission and discharge decisions on behalf of that facility.

(51) "Psychiatric nurse" means a registered nurse who has experience in the direct treatment of persons who have a mental illness or who are emotionally disturbed, such experience gained under the supervision of a mental health professional.

(52) "Psychiatrist" means a person having a license as a physician in this state who has completed residency training in psychiatry in a program approved by the American Medical Association or the American Osteopathic Association, and is board eligible or board certified in psychiatry.

(53) "Psychologist" means a person licensed as a psychologist under chapter 18.83 RCW.

(54) "Public agency" means any evaluation and treatment facility or institution, or hospital, or approved substance use disorder treatment program that is conducted for, or includes a distinct unit, floor, or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders if the agency is operated directly by federal, state, county, or municipal government, or a combination of such governments.

(55) "Release" means legal termination of the commitment under the provisions of this chapter.

(56) "Resource management services" has the meaning given in chapter 71.24 RCW.

(57) "Responsible other" means the minor, the minor's parent or estate, or any other person legally responsible for support of the minor.

(58) "Secretary" means the secretary of the department or secretary's designee.

(59) "Secure withdrawal management and stabilization facility" means a facility operated by either a public or private agency or by the program of an agency which provides care to voluntary individuals and individuals involuntarily detained and committed under this chapter for whom there is a likelihood of serious harm or who are gravely disabled due to the presence of a substance use disorder. Secure withdrawal management and stabilization facilities must:

(a) Provide the following services:

(i) Assessment and treatment, provided by certified substance use disorder professionals or co-occurring disorder specialists;

(ii) Clinical stabilization services;

(iii) Acute or subacute detoxification services for intoxicated individuals; and

(iv) Discharge assistance provided by certified substance use disorder professionals or co-occurring disorder specialists, including facilitating transitions to appropriate voluntary or involuntary inpatient services or to less restrictive alternatives as appropriate for the individual;

(b) Include security measures sufficient to protect the patients, staff, and community; and

(c) Be licensed or certified as such by the department of health.

(60) "Severe deterioration from safe behavior" means that a person will, if not treated, suffer or continue to suffer severe and abnormal mental, emotional, or physical distress, and this distress is associated with significant impairment of judgment, reason, or behavior.

(61) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010.

(62) "Start of initial detention" means the time of arrival of the minor at the first evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program offering inpatient treatment if the minor is being involuntarily detained at the time. With regard to voluntary patients, "start of initial detention" means the time at which the minor gives notice of intent to leave under the provisions of this chapter.

(63) "Store and forward technology" means use of an asynchronous transmission of a person's medical information from a mental health service provider to the designated crisis responder which results in medical diagnosis, consultation, or treatment.

(64) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(65) "Substance use disorder professional" means a person certified as a substance use disorder professional by the department of health under chapter 18.205 RCW.

(66) "Therapeutic court personnel" means the staff of a mental health court or other therapeutic court which has jurisdiction over defendants who are dually diagnosed with mental disorders, including court personnel, probation officers, a court monitor, prosecuting attorney, or defense counsel acting within the scope of therapeutic court duties.

(67) "Treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department, the department of health, the authority, behavioral health organizations and their staffs, and by treatment facilities. Treatment records include mental health information contained in a medical bill including but not limited to mental health drugs, a mental health diagnosis, provider name, and dates of service stemming from a medical service. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department, the department of health, the authority, behavioral health organizations, or a treatment facility if the notes or records are not available to others.

(68) "Triage facility" means a short-term facility or a portion of a facility licensed or certified by the department of health under RCW 71.24.035, which is designed as a facility to assess and stabilize an individual or determine the need for involuntary commitment of an individual, and must meet department of health residential treatment facility standards. A triage facility may be structured as a voluntary or involuntary placement facility.

(69) "Video" means the delivery of behavioral health services through the use of interactive audio and video technology, permitting real-time communication between a person and a designated crisis responder, for the purpose of evaluation. "Video" does not include the use of audio-only telephone, facsimile, email, or store and forward technology.

(70) "Violent act" means behavior that resulted in homicide, attempted suicide, injury, or substantial loss or damage to property.

(71) "In need of assisted outpatient treatment" refers to a minor who meets the criteria for assisted outpatient treatment established under RCW 71.34.815.

**Sec. 7.** RCW 71.34.740 and 2020 c 302 s 92 are each amended to read as follows:

(1) A ((~~commitment~~)) hearing shall be held within ((~~one hundred twenty~~))120 hours of the minor's admission, excluding Saturday, Sunday, and holidays, or if the hearing is held on a petition filed under RCW 71.34.815, the hearing shall be held at a time scheduled under that section, unless a continuance is ordered under RCW 71.34.735.

(2) The ((~~commitment~~)) hearing shall be conducted at the superior court or an appropriate place at the facility in which the minor is being detained.

(3) At the ((~~commitment~~)) hearing, the evidence in support of the petition shall be presented by the county prosecutor.

(4) The minor shall be present at the ((~~commitment~~)) hearing unless the minor, with the assistance of the minor's attorney, waives the right to be present at the hearing.

(5) If the parents are opposed to the petition, they may be represented at the hearing and shall be entitled to court-appointed counsel if they are indigent.

(6) At the ((~~commitment~~)) hearing, the minor shall have the following rights:

(a) To be represented by an attorney;

(b) To present evidence on his or her own behalf;

(c) To question persons testifying in support of the petition.

(7) If the ((~~hearing~~))petition is ((~~for commitment~~)) for mental health treatment, the court at the time of the ((~~commitment~~)) hearing and before an order ((~~of commitment~~))making findings is entered shall inform the minor both orally and in writing that the failure to make a good faith effort to seek voluntary treatment as provided in RCW 71.34.730 will result in the loss of his or her firearm rights if the minor is subsequently ((~~detained for~~))ordered to receive involuntary treatment under this section.

(8) If the minor has received medication within ((~~twenty-four~~))24 hours of the hearing, the court shall be informed of that fact and of the probable effects of the medication.

(9) For a ((~~fourteen-day~~))14-day commitment, the court must find by a preponderance of the evidence that:

(a) The minor has a behavioral health disorder and presents a likelihood of serious harm or is gravely disabled;

(b) The minor is in need of evaluation and treatment of the type provided by the inpatient evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program to which continued inpatient care is sought or is in need of less restrictive alternative treatment found to be in the best interests of the minor or others;

(c) The minor is unwilling or unable in good faith to consent to voluntary treatment; and

(d) If commitment is for a substance use disorder, there is an available secure withdrawal management and stabilization facility or approved substance use disorder treatment program with adequate space for the minor.

(10)(a) If the court finds that the minor meets the criteria for a ((~~fourteen-day~~))14-day commitment, the court shall either authorize commitment of the minor for inpatient treatment or for less restrictive alternative treatment upon such conditions as are necessary. If the court determines that the minor does not meet the criteria for a ((~~fourteen-day~~))14-day commitment, the minor shall be released.

(b) If the court finds by clear, cogent, and convincing evidence that the minor is in need of assisted outpatient treatment pursuant to a petition filed under RCW 71.34.815, the court shall order an appropriate less restrictive course of treatment for up to 18 months.

(11)(a) Nothing in this section prohibits the professional person in charge of the facility from releasing the minor at any time, when, in the opinion of the professional person in charge of the facility, further inpatient treatment is no longer necessary. The release may be subject to reasonable conditions if appropriate.

(b) Whenever a minor is released under this section, the professional person in charge shall within three days, notify the court in writing of the release.

(12) A minor who has been committed for fourteen days shall be released at the end of that period unless a petition for ((~~one hundred eighty-day~~))180-day commitment is pending before the court.

**Sec. 8.** RCW 71.34.740 and 2020 c 302 s 93 are each amended to read as follows:

(1) A ((~~commitment~~)) hearing shall be held within ((~~one hundred twenty~~))120 hours of the minor's admission, excluding Saturday, Sunday, and holidays, or if the hearing is held on a petition filed under RCW 71.34.815, the hearing shall be held at a time scheduled under that section, unless a continuance is ordered under RCW 71.34.735.

(2) The ((~~commitment~~)) hearing shall be conducted at the superior court or an appropriate place at the facility in which the minor is being detained.

(3) At the ((~~commitment~~)) hearing, the evidence in support of the petition shall be presented by the county prosecutor.

(4) The minor shall be present at the ((~~commitment~~)) hearing unless the minor, with the assistance of the minor's attorney, waives the right to be present at the hearing.

(5) If the parents are opposed to the petition, they may be represented at the hearing and shall be entitled to court-appointed counsel if they are indigent.

(6) At the ((~~commitment~~)) hearing, the minor shall have the following rights:

(a) To be represented by an attorney;

(b) To present evidence on his or her own behalf;

(c) To question persons testifying in support of the petition.

(7) If the ((~~hearing~~))petition is for ((~~commitment for~~)) mental health treatment, the court at the time of the ((~~commitment~~)) hearing and before an order ((~~of commitment~~))making findings is entered shall inform the minor both orally and in writing that the failure to make a good faith effort to seek voluntary treatment as provided in RCW 71.34.730 will result in the loss of his or her firearm rights if the minor is subsequently ((~~detained for~~))ordered to receive involuntary treatment under this section.

(8) If the minor has received medication within ((~~twenty-four~~))24 hours of the hearing, the court shall be informed of that fact and of the probable effects of the medication.

(9) For a ((~~fourteen-day~~))14-day commitment, the court must find by a preponderance of the evidence that:

(a) The minor has a behavioral health disorder and presents a likelihood of serious harm or is gravely disabled;

(b) The minor is in need of evaluation and treatment of the type provided by the inpatient evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program to which continued inpatient care is sought or is in need of less restrictive alternative treatment found to be in the best interests of the minor or others; and

(c) The minor is unwilling or unable in good faith to consent to voluntary treatment.

(10)(a) If the court finds that the minor meets the criteria for a ((~~fourteen-day~~))14-day commitment, the court shall either authorize commitment of the minor for inpatient treatment or for less restrictive alternative treatment upon such conditions as are necessary. If the court determines that the minor does not meet the criteria for a ((~~fourteen-day~~))14-day commitment, the minor shall be released.

(b) If the court finds by clear, cogent, and convincing evidence that the minor is in need of assisted outpatient treatment pursuant to a petition filed under RCW 71.34.815, the court shall order an appropriate less restrictive course of treatment for up to 18 months.

(11)(a) Nothing in this section prohibits the professional person in charge of the facility from releasing the minor at any time, when, in the opinion of the professional person in charge of the facility, further inpatient treatment is no longer necessary. The release may be subject to reasonable conditions if appropriate.

(b) Whenever a minor is released under this section, the professional person in charge shall within three days, notify the court in writing of the release.

(12) A minor who has been committed for fourteen days shall be released at the end of that period unless a petition for ((~~one hundred eighty-day~~))180-day commitment is pending before the court.

**Sec. 9.** RCW 71.34.780 and 2020 c 302 s 97 are each amended to read as follows:

(1) An agency or facility designated to monitor or provide less restrictive alternative treatment services to a minor under a court order or conditional release may take a range of actions to enforce the terms of the order or conditional release in the event the minor is not adhering to the terms or is experiencing substantial deterioration, decompensation, or a likelihood of serious harm. Such actions may include:

(a) Counseling the minor and offering incentives for compliance;

(b) Increasing the intensity of services;

(c) Petitioning the court to review the minor's compliance and optionally modify the terms of the order or conditional release while the minor remains in outpatient treatment;

(d) To request assistance from a peace officer for temporarily detaining the minor for up to 12 hours for evaluation at a crisis stabilization unit, evaluation and treatment facility, secure withdrawal management and stabilization facility, facility providing services under a court order, or emergency department to determine if revocation or enforcement proceedings under this section are necessary and appropriate to stabilize the minor, if there has been a pattern of noncompliance or failure of reasonable attempts at outreach and engagement; or

(e) Initiation of revocation proceedings under subsection (2) of this section.

(2) If the professional person in charge of an outpatient treatment program, a designated crisis responder, or the director or secretary, as appropriate, determines that a minor is failing to adhere to the conditions of ((~~the~~))a court order for less restrictive alternative treatment or the conditions ((~~for the~~))of a conditional release, or that substantial deterioration in the minor's functioning has occurred, the designated crisis responder, or the director or secretary, as appropriate, may order that the minor be taken into custody and transported to an inpatient evaluation and treatment facility, a secure withdrawal management and stabilization facility, or an approved substance use disorder treatment program. A secure withdrawal management and stabilization facility or approved substance use disorder treatment program that has adequate space for the minor must be available.

((~~(2)~~))(3)(a) The designated crisis responder, director, or secretary, as appropriate, shall file the order of apprehension and detention and serve it upon the minor and notify the minor's parent and the minor's attorney, if any, of the detention within two days of return. At the time of service the minor shall be informed of the right to a hearing and to representation by an attorney. The designated crisis responder or the director or secretary, as appropriate, may modify or rescind the order of apprehension and detention at any time prior to the hearing.

(b) If the minor is involuntarily detained for revocation at an evaluation and treatment facility, secure withdrawal

management and stabilization facility, or approved substance use disorder treatment program in a different county from where the minor was initially detained, the facility or program may file the order of apprehension, serve it on the minor and notify the minor's parents and the minor's attorney at the request of the designated crisis responder.

((~~(3)~~))(4) A petition for revocation of less restrictive alternative treatment shall be filed by the designated crisis responder or the director, secretary, or facility, as appropriate, with the court in the county where the minor is detained. The court shall conduct the hearing in that county. A petition for revocation of conditional release must be filed in the county where the minor is detained. A petition shall describe the behavior of the minor indicating violation of the conditions or deterioration of routine functioning and a dispositional recommendation. The hearing shall be held within seven days of the minor's return. The issues to be determined are whether the minor did or did not adhere to the conditions of the less restrictive alternative treatment or conditional release, or whether the minor's routine functioning has substantially deteriorated, and, if so, whether the conditions of less restrictive alternative treatment or conditional release should be modified or, subject to subsection ((~~(4)~~))(5) of this section, whether the ((~~minor~~))court should ((~~be returned to~~))order the minor's detention for inpatient treatment. Pursuant to the determination of the court, the minor shall be returned to less restrictive alternative treatment or conditional release on the same or modified conditions or shall be ((~~returned to~~))detained for inpatient treatment. If the minor is ((~~returned to~~))detained for inpatient treatment, RCW 71.34.760 regarding the director's placement responsibility shall apply. The hearing may be waived by the minor and the minor ((~~returned to~~))detained for inpatient treatment or returned to less restrictive alternative treatment or conditional release on the same or modified conditions. If the court orders detention for inpatient treatment, the treatment period must be for 14 days from the revocation hearing if the less restrictive alternative treatment order was based on a petition under RCW 71.34.740 or 71.34.815. The minor must return to less restrictive alternative treatment under the order at the end of the 14-day period unless a petition for further treatment is filed under RCW 71.34.750 or the minor accepts voluntary treatment. If the court orders detention for inpatient treatment and the less restrictive alternative treatment order or conditional release was based on a petition under RCW 71.34.750, the number of days remaining on the less restrictive alternative treatment order or conditional release must be converted to days of inpatient treatment.

((~~(4)~~))(5) A court may not order the ((~~return~~))placement of a minor to inpatient treatment in a secure withdrawal management and stabilization facility or approved substance use disorder treatment program unless there is a secure withdrawal management and stabilization facility or approved substance use disorder treatment program available with adequate space for the minor.

**Sec. 10.** RCW 71.34.780 and 2020 c 302 s 98 are each amended to read as follows:

(1) An agency or facility designated to monitor or provide less restrictive alternative treatment services to a minor under a court order or conditional release may take a range of actions to enforce the terms of the order or conditional release in the event the minor is not adhering to the terms or is experiencing substantial deterioration, decompensation, or a likelihood of serious harm. Such actions may include:

(a) Counseling the minor and offering incentives for compliance;

(b) Increasing the intensity of services;

(c) Petitioning the court to review the minor's compliance and optionally modify the terms of the order or conditional release while the minor remains in outpatient treatment;

(d) To request assistance from a peace officer for temporarily detaining the minor for up to 12 hours for evaluation at a crisis stabilization unit, evaluation and treatment facility, secure withdrawal management and stabilization facility, facility providing services under a court order, or emergency department to determine if revocation or enforcement proceedings under this section are necessary and appropriate to stabilize the minor, if there has been a pattern of noncompliance or failure of reasonable attempts at outreach and engagement; or

(e) Initiation of revocation proceedings under subsection (2) of this section.

(2) If the professional person in charge of an outpatient treatment program, a designated crisis responder, or the director or secretary, as appropriate, determines that a minor is failing to adhere to the conditions of ((~~the~~))a court order for less restrictive alternative treatment or the conditions ((~~for the~~))of conditional release, or that substantial deterioration in the minor's functioning has occurred, the designated crisis responder, or the director or secretary, as appropriate, may order that the minor be taken into custody and transported to an inpatient evaluation and treatment facility, a secure withdrawal management and stabilization facility, or an approved substance use disorder treatment program.

((~~(2)~~))(3)(a) The designated crisis responder, director, or secretary, as appropriate, shall file the order of apprehension and detention and serve it upon the minor and notify the minor's parent and the minor's attorney, if any, of the detention within two days of return. At the time of service the minor shall be informed of the right to a hearing and to representation by an attorney. The designated crisis responder or the director or secretary, as appropriate, may modify or rescind the order of apprehension and detention at any time prior to the hearing.

(b) If the minor is involuntarily detained for revocation at an evaluation and treatment facility, secure withdrawal management and stabilization facility, or approved substance use disorder treatment program in a different county from where the minor was initially detained, the facility or program may file the order of apprehension, serve it on the minor and notify the minor's parents and the minor's attorney at the request of the designated crisis responder.

((~~(3)~~))(4) A petition for revocation of less restrictive alternative treatment shall be filed by the designated crisis responder or the director, secretary, or facility, as appropriate, with the court in the county where the minor is detained. The court shall conduct the hearing in that county. A petition for revocation of conditional release must be filed in the county where the minor is detained. A petition shall describe the behavior of the minor indicating violation of the conditions or deterioration of routine functioning and a dispositional recommendation. The hearing shall be held within seven days of the minor's return. The issues to be determined are whether the minor did or did not adhere to the conditions of the less restrictive alternative treatment or conditional release, or whether the minor's routine functioning has substantially deteriorated, and, if so, whether the conditions of less restrictive alternative treatment or conditional release should be modified or whether the ((~~minor~~))court should ((~~be returned to~~))order the minor's detention for inpatient treatment. Pursuant to the determination of the court, the minor shall be returned to less restrictive alternative treatment or conditional release on the same or modified conditions or shall be ((~~returned to~~))detained for inpatient treatment. If the minor is ((~~returned to~~))detained for inpatient treatment, RCW 71.34.760 regarding the director's placement responsibility shall apply. The hearing may be waived by the minor and the minor ((~~returned to~~))detained for inpatient treatment or returned to less restrictive alternative treatment or conditional release on the same or modified conditions. If the court orders detention for inpatient treatment, the treatment period must be for 14 days from the revocation hearing if the less restrictive alternative treatment order was based on a petition under RCW 71.34.740 or 71.34.815. The minor must return to less restrictive alternative treatment under the order at the end of the 14-day period unless a petition for further treatment is filed under RCW 71.34.750 or the minor accepts voluntary treatment. If the court orders detention for inpatient treatment and the less restrictive alternative treatment order or conditional release was based on a petition under RCW 71.34.750, the number of days remaining on the less restrictive alternative treatment order or conditional release must be converted to days of inpatient treatment.

**Sec. 11.** RCW 71.34.815 and 2022 c 210 s 4 are each amended to read as follows:

(1) An adolescent is in need of assisted outpatient treatment if the court finds by clear, cogent, and convincing evidence in response to a petition filed under this section that:

(a) The adolescent has a behavioral health disorder;

(b) Based on a clinical determination and in view of the adolescent's treatment history and current behavior, at least one of the following is true:

(i) The adolescent is unlikely to survive safely in the community without supervision and the adolescent's condition is substantially deteriorating; or

(ii) The adolescent is in need of assisted outpatient treatment in order to prevent a relapse or deterioration that would be likely to result in grave disability or a likelihood of serious harm to the adolescent or to others;

(c) The adolescent has a history of lack of compliance with treatment for his or her behavioral health disorder that has:

(i) At least twice within the 36 months prior to the filing of the petition been a significant factor in necessitating hospitalization of the adolescent, or the adolescent's receipt of services in a forensic or other mental health unit of a state ((~~correctional~~))juvenile rehabilitation facility or local ((~~correctional~~))juvenile detention facility, provided that the 36-month period shall be extended by the length of any hospitalization or incarceration of the adolescent that occurred within the 36-month period;

(ii) At least twice within the 36 months prior to the filing of the petition been a significant factor in necessitating emergency medical care or hospitalization for behavioral health-related medical conditions including overdose, infected abscesses, sepsis, endocarditis, or other maladies, or a significant factor in behavior which resulted in the adolescent's incarceration in a state or local correctional facility; or

(iii) Resulted in one or more violent acts, threats, or attempts to cause serious physical harm to the adolescent or another within the 48 months prior to the filing of the petition, provided that the 48-month period shall be extended by the length of any hospitalization or incarceration of the person that occurred during the 48-month period;

(d) Participation in an assisted outpatient treatment program would be the least restrictive alternative necessary to ensure the adolescent's recovery and stability; and

(e) The adolescent will benefit from assisted outpatient treatment.

(2) The following individuals may directly file a petition for less restrictive alternative treatment on the basis that an adolescent is in need of assisted outpatient treatment:

(a) The director of a hospital where the adolescent is hospitalized or the director's designee;

(b) The director of a behavioral health service provider providing behavioral health

care or residential services to the adolescent or the director's designee;

(c) The adolescent's treating mental health professional or substance use disorder professional or one who has evaluated the person;

(d) A designated crisis responder;

(e) A release planner from a juvenile detention or rehabilitation facility; or

(f) An emergency room physician.

(3) A court order for less restrictive alternative treatment on the basis that the adolescent is in need of assisted outpatient treatment may be effective for up to 18 months, unless the adolescent is currently detained for inpatient treatment for 14 days or more under RCW 71.34.740 or 71.34.750, in which case the order may be effective for 180 days. The petitioner must personally interview the adolescent, unless the adolescent refuses an interview, to determine whether the adolescent will voluntarily receive appropriate treatment.

(4) The petitioner must allege specific facts based on personal observation, evaluation, or investigation, and must consider the reliability or credibility of any person providing information material to the petition.

(5) The petition must include:

(a) A statement of the circumstances under which the adolescent's condition was made known and the basis for the opinion, from personal observation or investigation, that the adolescent is in need of assisted outpatient treatment. The petitioner must state which specific facts come from personal observation and specify what other sources of information the petitioner has relied upon to form this belief;

(b) A declaration from a physician, physician assistant, or advanced registered nurse practitioner, ((~~or~~)) the adolescent's treating mental health professional or substance use disorder professional, or in the case of a person enrolled in treatment in a behavioral health agency, the person's behavioral health case manager, who has examined the adolescent no more than 10 days prior to the submission of the petition and who is willing to testify in support of the petition, or who alternatively has made appropriate attempts to examine the adolescent within the same period but has not been successful in obtaining the adolescent's cooperation, and who is willing to testify to the reasons they believe that the adolescent meets the criteria for assisted outpatient treatment((~~. If the declaration is provided by the adolescent's treating mental health professional or substance use disorder professional, it must be cosigned by a supervising physician, physician assistant, or advanced registered nurse practitioner who certifies that they have reviewed the declaration~~));

(c) The declarations of additional witnesses, if any, supporting the petition for assisted outpatient treatment;

(d) The name of an agency, provider, or facility that agrees to provide less restrictive alternative treatment if the petition is granted by the court; and

(e) If the adolescent is detained in a state hospital, inpatient treatment facility, or juvenile detention or rehabilitation facility at the time the petition is filed, the anticipated release date of the adolescent and any other details needed to facilitate successful reentry and transition into the community.

(6)(a) Upon receipt of a petition meeting all requirements of this section, the court shall fix a date for a hearing:

(i) No sooner than three days or later than seven days after the date of service or as stipulated by the parties or, upon a showing of good cause, no later than 30 days after the date of service; or

(ii) If the adolescent is hospitalized at the time of filing of the petition, before discharge of the adolescent and in sufficient time to arrange for a continuous transition from inpatient treatment to assisted outpatient treatment.

(b) A copy of the petition and notice of hearing shall be served, in the same manner as a summons, on the petitioner, the adolescent, the qualified professional whose affidavit accompanied the petition, a current provider, if any, and a surrogate decision maker or agent under chapter 71.32 RCW, if any.

(c) If the adolescent has a surrogate decision maker or agent under chapter 71.32 RCW who wishes to provide testimony at the hearing, the court shall afford the surrogate decision maker or agent an opportunity to testify.

(d) The adolescent shall be represented by counsel at all stages of the proceedings.

(e) If the adolescent fails to appear at the hearing after notice, the court may conduct the hearing in the adolescent's absence; provided that the adolescent's counsel is present.

(f) If the adolescent has refused to be examined by the qualified professional whose affidavit accompanied the petition, the court may order a mental examination of the adolescent. The examination of the adolescent may be performed by the qualified professional whose affidavit accompanied the petition. If the examination is performed by another qualified professional, the examining qualified professional shall be authorized to consult with the qualified professional whose affidavit accompanied the petition.

(g) If the adolescent has refused to be examined by a qualified professional and the court finds reasonable grounds to believe that the allegations of the petition are true, the court may issue a written order directing a peace officer who has completed crisis intervention training to detain and transport the adolescent to a provider for examination by a qualified professional. An adolescent detained pursuant to this subsection shall be detained no longer than necessary to complete the examination and in no event longer than 24 hours. All papers in the court file must be provided to the adolescent's designated attorney.

(7) If the petition involves an adolescent whom the petitioner or behavioral health administrative services organization knows, or has reason to know, is an American Indian or Alaska Native who receives medical or behavioral health services from a tribe within this state, the behavioral health administrative services organization shall

notify the tribe and Indian health care provider. Notification shall be made in person or by telephonic or electronic communication to the tribal contact listed in the authority's tribal crisis coordination plan as soon as possible.

(8) A petition for assisted outpatient treatment filed under this section shall be adjudicated under RCW 71.34.740.

(9) ((~~After January 1, 2023, a~~))A petition for assisted outpatient treatment must be filed on forms developed by the administrative office of the courts.

NEW SECTION. **Sec. 12.** Sections 3, 7, and 9 of this act expire July 1, 2026.

NEW SECTION. **Sec. 13.** Sections 4, 8, and 10 of this act take effect July 1, 2026.

**Sec. 14.** 2021 c 264 s 29 (uncodified) is amended to read as follows:

(1) Sections 64 and 81, chapter 302, Laws of 2020 ((~~and, until July 1, 2022, section 27, chapter 264, Laws of 2021 and, beginning July 1, 2022~~)), section 28, chapter 264, Laws of 2021, and section 6, chapter . . ., Laws of 2023 (section 6 of this act) take effect when the average wait time for children's long-term inpatient placement admission is 30 days or less for two consecutive quarters.

(2) The health care authority must provide written notice of the effective date of sections 64 and 81, chapter 302, Laws of 2020 ((~~and~~)), section((~~s 27 and~~)) 28, chapter 264, Laws of 2021, and section 6, chapter . . ., Laws of 2023 (section 6 of this act) to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the authority."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Graham, Assistant Ranking Minority Member; Cheney; Entenman; Goodman; Peterson; Rude; Thai and Walen.

MINORITY recommendation: Without recommendation. Signed by Representative Walsh, Ranking Minority Member.

Referred to Committee on Appropriations

March 29, 2023

ESSB 5152 Prime Sponsor, State Government & Elections: Defining synthetic media in campaigns for elective office, and providing relief for candidates and campaigns. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The definitions used in chapter 42.17A RCW apply throughout this chapter unless the context clearly requires otherwise.

NEW SECTION. **Sec. 2.** (1) For purposes of this section "synthetic media" means an image, an audio recording, or a video recording of an individual's appearance, speech, or conduct that has been intentionally manipulated with the use of generative adversarial network techniques or other digital technology in a manner to create a realistic but false image, audio, or video that produces:

(a) A depiction that to a reasonable individual is of a real individual in appearance, action, or speech that did not actually occur in reality; and

(b) A fundamentally different understanding or impression of the appearance, action, or speech than a reasonable person would have from the unaltered, original version of the image, audio recording, or video recording.

(2) A candidate whose appearance, action, or speech is altered through the use of a synthetic media in an electioneering communication may seek injunctive or other equitable relief prohibiting the publication of such synthetic media.

(3) A candidate whose appearance, action, or speech is altered through the use of a synthetic media in an electioneering communication may bring an action for general or special damages against the sponsor. The court may also award a prevailing party reasonable attorneys' fees and costs. This subsection does not limit or preclude a plaintiff from securing or recovering any other available remedy.

(4) It is an affirmative defense for any action brought under this section that the electioneering communication containing a synthetic media includes a disclosure stating, "This (image/video/audio) has been manipulated," in the following manner:

(a) For visual media, the text of the disclosure must appear in size easily readable by the average viewer and no smaller than the largest font size of other text appearing in the visual media. If the visual media does not include any other text, the disclosure must appear in a size that is easily readable by the average viewer. For visual media that is a video, the disclosure must appear for the duration of the video; or

(b) If the media consists of audio only, the disclosure must be read in a clearly spoken manner and in a pitch that can be easily heard by the average listener, at the beginning of the audio, at the end of the audio, and, if the audio is greater than two minutes in length, interspersed within the audio at intervals of not more than two minutes each.

(5) In any action commenced under this section, the plaintiff bears the burden of establishing the use of synthetic media by clear and convincing evidence.

(6) An action under this section takes precedence over other cases, and must be speedily heard and determined.

NEW SECTION. **Sec. 3.** (1) For an action brought under section 2 of this act, the sponsor of the electioneering communication may be held liable, and not the medium disseminating the electioneering

communication except as provided in subsection (2) of this section.

(2) Except when a licensee, programmer, or operator of a federally licensed broadcasting station transmits an electioneering communication that is subject to 47 U.S.C. Sec. 315, a medium may be held liable in a cause of action brought under section 2 of this act if:

(a) The medium removes any disclosure described in section 2(4) of this act from the electioneering communication it disseminates; or

(b) Subject to affirmative defenses described in section 2 of this act, the medium changes the content of an electioneering communication such that it qualifies as synthetic media, as defined in section 2 of this act.

(3)(a) No provider or user of an interactive computer service shall be treated as the publisher or speaker of any information provided by another information content provider. However, an interactive computer service may be held liable in accordance with subsection (2) of this section.

(b) "Interactive computer service" means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including specifically a service or system that provides access to the internet and such systems operated or services offered by libraries or educational institutions.

(c) "Information content provider" means any person or entity that is responsible, in whole or in part, for the creation or development of information provided through the internet or any other interactive computer service.

NEW SECTION. **Sec. 4.** The public disclosure commission must adopt rules in furtherance of the purpose of this chapter. Nothing in this chapter constitutes a violation under chapter 42.17A RCW, or otherwise authorizes the public disclosure commission to take action under RCW 42.17A.755.

NEW SECTION. **Sec. 5.** Sections 1 through 4 of this act constitute a new chapter in Title 42 RCW.

NEW SECTION. **Sec. 6.** 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."

Correct the title.

Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Gregerson and Mena.

MINORITY recommendation: Do not pass. Signed by Representatives Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member.

MINORITY recommendation: Without recommendation. Signed by Representative Low.

Referred to Committee on Rules for second reading

March 28, 2023

SB 5153 Prime Sponsor, Senator Valdez: Concerning uniform disclosure of records related to future voters and making conforming amendments related to participation of future voters in state primaries. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 29A.08 RCW to read as follows:

Information that is otherwise disclosable under this chapter cannot be disclosed for a future voter until the person reaches 18 years of age, or until the person is eligible to participate in the next presidential primary, primary, or election. This information is exempt from public inspection and copying under chapter 42.56 RCW. Information may be disclosed for the purpose of processing and delivering ballots.

**Sec. 2.** RCW 29A.04.070 and 2018 c 109 s 2 are each amended to read as follows:

"Future voter" means a United States citizen and Washington state resident, age sixteen or seventeen, who ((~~wishes to provide~~))has provided information related to voter registration to the appropriate state agencies.

**Sec. 3.** RCW 29A.08.170 and 2020 c 208 s 15 are each amended to read as follows:

(1) A person may sign up to register to vote if he or she is sixteen or seventeen years of age, as part of the future voter program.

(2) A person who signs up to register to vote may not vote until reaching eighteen years of age unless the person is seventeen years of age at the primary election or presidential primary election and will be eighteen years of age by the general election.

(3) A person who signs up to register to vote may not be added to the statewide voter registration ((~~database~~)) list of voters until such time as he or she will be eligible to vote in the next election.

**Sec. 4.** RCW 29A.08.174 and 2020 c 208 s 17 are each amended to read as follows:

(1) A person who has attained sixteen years of age and has a valid Washington state driver's license or identicard may sign up to register to vote as part of the future voter program, by submitting a voter registration application electronically on the secretary of state((~~'s~~)) website.

(2) The applicant must attest to the truth of the information provided on the application by affirmatively accepting the information as true.

(3) If signing up to register electronically, the applicant must affirmatively assent to the use of his or her driver's license or identicard signature for voter registration purposes.

(4) The applicant must affirmatively acknowledge that he or she will not vote in a special or general election until his or her eighteenth birthday, and will only vote in a primary election or presidential primary election if he or she will be eighteen years of age by the general election.

(5) For each electronic registration application, the secretary of state must obtain a digital copy of the applicant's driver's license or identicard signature from the department of licensing.

(6) The secretary of state may employ additional security measures to ensure the accuracy and integrity of voter preregistration applications submitted electronically.

**Sec. 5.** RCW 29A.08.330 and 2020 c 208 s 5 are each amended to read as follows:

(1) The secretary of state shall prescribe the method of voter registration for each designated agency. The agency shall use either the state voter registration by mail form with a separate declination form for the applicant to indicate that he or she declines to register at this time, or the agency may use a separate form approved for use by the secretary of state.

(2) The person providing service at the agency shall offer voter registration services to every client whenever he or she applies for service or assistance and with each renewal, recertification, or change of address. The person providing service shall give the applicant the same level of assistance with the voter registration application as is offered to fill out the agency's forms and documents, including information about age and citizenship requirements for voter registration.

(3) The person providing service at the agency shall determine if the prospective applicant wants to register to vote or update his or her voter registration by asking the following question:

"Do you want to register or sign up to vote or update your voter registration?"

If the applicant chooses to register, sign up, or update a registration, the service agent shall ask the following:

(a) "Are you a United States citizen?"

(b) "Are you at least sixteen years old?"

If the applicant answers in the affirmative to both questions, the agent shall then provide the applicant with a voter registration form and instructions and shall record that the applicant has requested to sign up to vote, register to vote, or update a voter registration. If the applicant answers in the negative to either question, the agent shall not provide the applicant with a voter registration application.

(4) If an agency uses a computerized application process, it may, in consultation with the secretary of state, develop methods to capture simultaneously the information required for voter registration during a person's computerized application process.

(5) Each designated agency shall transmit the applications to the secretary of state or appropriate county auditor within three business days and must be received by the election official by the required voter registration deadline.

(6) ((~~Information that is otherwise disclosable under this chapter cannot be disclosed on the future voter until the person reaches eighteen years of age, except for the purpose of processing and delivering ballots.~~))Disclosure of information on individuals under the age of 18 is subject to section 1 of this act.

**Sec. 6.** RCW 29A.08.615 and 2018 c 109 s 9 are each amended to read as follows:

(1) Registered voters are divided into two categories, "active" and "inactive." All registered voters are classified as active, unless assigned to inactive status by the county auditor.

(2) Persons signing up to register to vote as future voters as defined under RCW 29A.04.070 are classified as "pending" until the person will be at least eighteen years of age by the next election, or eligible to participate in the next presidential primary or primary under RCW 29A.08.110 or 29A.08.170.

**Sec. 7.** RCW 29A.08.710 and 2018 c 109 s 10 are each amended to read as follows:

(1) The county auditor shall have custody of the original voter registration records and voter registration sign up records for each county. The original voter registration form must be filed without regard to precinct and is considered confidential and unavailable for public inspection and copying. An automated file of all registered voters must be maintained pursuant to RCW 29A.08.125. An auditor may maintain the automated file in lieu of filing or maintaining the original voter registration forms if the automated file includes all of the information from the original voter registration forms including, but not limited to, a retrievable facsimile of each voter's signature.

(2)(a) The following information contained in voter registration records or files regarding a voter or a group of voters is available for public inspection and copying, except as provided in RCW 40.24.060 and (b) of this subsection: The voter's name, address, political jurisdiction, gender, date of birth, voting record, date of registration, and registration number. No other information from voter registration records or files is available for public inspection or copying.

(b) ((~~The personally identifiable information of individuals who are under the age of eighteen are exempt from public inspection and copying until the subject of the record is eighteen years of age, except for the purpose of processing and delivering ballots.~~))Disclosure of information on individuals under the age of 18 is subject to section 1 of this act.

**Sec. 8.** RCW 29A.08.720 and 2018 c 110 s 206 and 2018 c 109 s 11 are each reenacted and amended to read as follows:

(1) In the case of voter registration records received through the health benefit exchange, the department of licensing, or an agency designated under RCW 29A.08.310, the identity of the office or agency at which any particular individual registered to vote must be used only for voter registration purposes, is not available for public inspection, and shall not be disclosed to the public. Any record of a particular individual's choice not to register to vote at an office of the department of licensing or a state agency designated under RCW 29A.08.310 is not available for public inspection and any information regarding such a choice by a particular individual shall not be disclosed to the public. ((~~Information that is otherwise disclosable under this chapter cannot be disclosed on the future voter until the person reaches eighteen years of age, except for the purpose of processing and delivering ballots.~~))

(2) Disclosure of information on individuals under the age of 18 is subject to section 1 of this act.

(3)(a) Subject to the restrictions of RCW 29A.08.710 and 40.24.060, and (b) of this subsection, precinct lists and current lists of registered voters are public records and must be made available for public inspection and copying under such reasonable rules and regulations as the county auditor or secretary of state may prescribe. The county auditor or secretary of state shall promptly furnish current lists of registered voters in his or her possession, at actual reproduction cost, to any person requesting such information. The lists shall not be used for the purpose of mailing or delivering any advertisement or offer for any property, establishment, organization, product, or service or for the purpose of mailing or delivering any solicitation for money, services, or anything of value. However, the lists and labels may be used for any political purpose. The county auditor or secretary of state must provide a copy of RCW 29A.08.740 to the person requesting the material that is released under this section.

(b) ((~~The personally identifiable information of individuals who are under the age of eighteen are exempt from public inspection and copying until the subject of the record is eighteen years of age, except for the purpose of processing and delivering ballots.~~

~~(3)~~))Disclosure of information on individuals under the age of 18 is subject to section 1 of this act.

(4) For the purposes of this section, "political purpose" means a purpose concerned with the support of or opposition to any candidate for any partisan or nonpartisan office or concerned with the support of or opposition to any ballot proposition or issue. "Political purpose" includes, but is not limited to, such activities as the advertising for or against any candidate or ballot measure or the solicitation of financial support.

**Sec. 9.** RCW 29A.08.760 and 2018 c 109 s 12 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 consolidated technology services agency for purposes of creating the jury source list without cost. The information contained in a voter registration application is exempt from inclusion until the applicant reaches age eighteen. ((~~Information that is otherwise disclosable under this chapter cannot be disclosed on the future voter until the person reaches eighteen years of age, except for the purpose of processing and delivering ballots.~~))Disclosure of information on individuals under the age of 18 is subject to section 1 of this act. 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. 10.** RCW 29A.08.770 and 2018 c 109 s 19 are each amended to read as follows:

The secretary of state and each county auditor shall maintain for at least two years and shall make available for public inspection and copying all records concerning the implementation of programs and activities conducted for the purpose of insuring the accuracy and currency of official lists of eligible voters. These records must include lists of the names and addresses of all persons to whom notices are sent and information concerning whether or not each person has responded to the notices. These records must contain lists of all persons removed from the list of eligible voters and the reasons why the voters were removed. ((~~The personally identifiable information of individuals who are under the age of eighteen are exempt from public inspection and copying until the subject of the record is eighteen years of age, except for the purpose of processing and delivering ballots.~~))Disclosure of information on individuals under the age of 18 is subject to section 1 of this act.

**Sec. 11.** RCW 29A.80.041 and 2020 c 208 s 19 are each amended to read as follows:

(1) Any member of a major political party who is a registered voter in the precinct and who will be at least eighteen years old by the date of the precinct committee officer election may file his or her declaration of candidacy as prescribed under RCW 29A.24.031 with the county auditor for the office of precinct committee officer of his or her party in that precinct.

(2) Disclosure of filing information for precinct committee officer candidates who have not reached the age of 18 is the same as all candidates for precinct committee officer.

(3) When elected at the primary, the precinct committee officer shall serve so long as the committee officer remains an eligible voter in that precinct.

**Sec. 12.** RCW 46.20.155 and 2018 c 109 s 15 are each amended to read as follows:

(1) Before issuing an original license or identicard or renewing a license or identicard under this chapter, the licensing agent shall determine if the applicant wants to register to vote or update his or her voter registration by asking the following question:

"Do you want to register or sign up to vote or update your voter registration?"

If the applicant chooses to register, sign up, or update a registration, the agent shall ask the following:

(1) "Are you a United States citizen?"

(2) "Are you at least eighteen years old or are you at least sixteen years old and will you vote only after you turn eighteen?"

If the applicant answers in the affirmative to both questions, the agent shall then submit the registration, sign up form, or update. If the applicant answers in the negative to either question, the agent shall not submit an application.

(2) Information that is otherwise disclosable under chapter 29A.08 RCW cannot be disclosed ((~~on the~~))for a future voter until the person reaches eighteen years of age((~~, except~~))or until the person is eligible to participate in the next presidential primary, primary, or election, or for the purpose of processing and delivering ballots.

((~~(2)~~))(3) The department shall establish a procedure that substantially meets the requirements of subsection (1) of this section when permitting an applicant to renew a license or identicard by mail or by electronic commerce.

**Sec. 13.** RCW 46.20.155 and 2020 c 208 s 8 are each amended to read as follows:

(1) Before issuing an original license or identicard or renewing a license or identicard under this chapter, the licensing agent shall determine if the applicant wants to register to vote or update his or her voter registration by asking the following question:

"Do you want to register or sign up to vote or update your voter registration?"

If the applicant chooses to register, sign up, or update a registration, the agent shall ask the following:

((~~(1)~~)) "Are you a United States citizen?"

((~~(2) "Are you at least sixteen years old?"~~))

If the applicant answers in the affirmative ((~~to both questions~~)), the agent shall then submit the registration, sign up form, or update. If the applicant answers in the negative to ((~~either~~))the question, the agent shall not submit an application.

(2) Information that is otherwise disclosable under chapter 29A.08 RCW cannot be disclosed ((~~on the~~))for a future voter until the person reaches eighteen years of age((~~, except~~))or until the person is eligible to participate in the next presidential primary, primary, or election, or for the purpose of processing and delivering ballots.

((~~(2)~~))(3) The department shall establish a procedure that substantially meets the requirements of subsection (1) of this section when permitting an applicant to renew a license or identicard by mail or by electronic commerce.

**Sec. 14.** RCW 42.56.230 and 2021 c 89 s 1 are each amended to read as follows:

The following personal information is exempt from public inspection and copying under this chapter:

(1) Personal information in any files maintained for students in public schools, patients or clients of public institutions or public health agencies, or welfare recipients;

(2)(a) Personal information:

(i) For a child enrolled in licensed child care in any files maintained by the department of children, youth, and families;

(ii) For a child enrolled in a public or nonprofit program serving or pertaining to children, adolescents, or students, including but not limited to early learning or child care services, parks and recreation programs, youth development programs, and after-school programs;

(iii) For the family members or guardians of a child who is subject to the exemption under this subsection (2) if the family member or guardian has the same last name as the child or if the family member or guardian resides at the same address as the child and disclosure of the family member's or guardian's information would result in disclosure of the personal information exempted under (a)(i) and (ii) of this subsection; or

(iv) For substitute caregivers who are licensed or approved to provide overnight care of children by the department of children, youth, and families.

(b) Emergency contact information under this subsection (2) may be provided to appropriate authorities and medical personnel for the purpose of treating the individual during an emergency situation;

(3) Personal information in files maintained for employees, appointees, or elected officials of any public agency to the extent that disclosure would violate their right to privacy;

(4) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would: (a) Be prohibited to such persons by RCW 84.08.210, 82.32.330, 84.40.020, 84.40.340, or any ordinance authorized under RCW 35.102.145; or (b) violate the taxpayer's right to privacy or result in unfair competitive disadvantage to the taxpayer;

(5) Credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial information as defined in RCW 9.35.005 including social security numbers, except when disclosure is expressly required by or governed by other law;

(6) Personal and financial information related to a small loan or any system of authorizing a small loan in RCW 31.45.093;

(7)(a) Any record used to prove identity, age, residential address, social security number, or other personal information required to apply for a driver's license or identicard.

(b) Information provided under RCW 46.20.111 that indicates that an applicant declined to register with the selective service system.

(c) Any record pertaining to a vehicle license plate, driver's license, or identicard issued under RCW 46.08.066 that, alone or in combination with any other records, may reveal the identity of an individual, or reveal that an individual is or was, performing an undercover or covert law enforcement, confidential public health work, public assistance fraud, or child support investigative activity. This exemption does not prevent the release of the total number of vehicle license plates, drivers' licenses, or identicards that, under RCW 46.08.066, an agency or department has applied for, been issued, denied, returned, destroyed, lost, and reported for misuse.

(d) Any record pertaining to a vessel registration issued under RCW 88.02.330 that, alone or in combination with any other records, may reveal the identity of an individual, or reveal that an individual is or was, performing an undercover or covert law enforcement activity. This exemption does not prevent the release of the total number of vessel registrations that, under RCW 88.02.330, an agency or department has applied for, been issued, denied, returned, destroyed, lost, and reported for misuse.

Upon request by the legislature, the department of licensing shall provide a report to the legislature containing all of the information in (c) of this subsection (7) and this subsection (7)(d) that is subject to public disclosure;

(8) All information related to individual claim resolution settlement agreements submitted to the board of industrial insurance appeals under RCW 51.04.063, other than final orders from the board of industrial insurance appeals. The board of industrial insurance appeals shall provide to the department of labor and industries copies of all final claim resolution settlement agreements;

(9) Voluntarily submitted information contained in a database that is part of or associated with enhanced 911 emergency communications systems, or information contained or used in emergency notification systems as provided under RCW 38.52.575 and 38.52.577;

(10) ((~~Until the person reaches eighteen years of age, information, otherwise disclosable under chapter 29A.08 RCW, that relates to a future voter, except for the purpose of processing and delivering ballots~~))Information relating to a future voter, as provided in section 1 of this act;

(11) All information submitted by a person to the state, either directly or through a state-licensed gambling establishment, or Indian tribes, or tribal enterprises that own gambling operations or facilities with class III gaming compacts, as part of the self-exclusion program established in RCW 9.46.071 or 67.70.040 for people with a gambling problem or gambling disorder; and

(12) Names, addresses, or other personal information of individuals who participated in the bump-fire stock buy-back program under RCW 43.43.920.

**Sec. 15.** RCW 42.56.250 and 2020 c 106 s 1 are each amended to read as follows:

The following employment and licensing information is exempt from public inspection and copying under this chapter:

(1) Test questions, scoring keys, and other examination data used to administer a license, employment, or academic examination;

(2) All applications for public employment other than for vacancies in elective office, including the names of applicants, resumes, and other related materials submitted with respect to an applicant;

(3) Professional growth plans (PGPs) in educator license renewals submitted through the eCert system in the office of the superintendent of public instruction;

(4) The following information held by any public agency in personnel records, public employment related records, volunteer rosters, or included in any mailing list of employees or volunteers of any public agency: Residential addresses, residential telephone numbers, personal wireless telephone numbers, personal email addresses, social security numbers, driver's license numbers, identicard numbers, payroll deductions including the amount and identification of the deduction, and emergency contact information of employees or volunteers of a public agency, and the names, dates of birth, residential addresses, residential telephone numbers, personal wireless telephone numbers, personal email addresses, social security numbers, and emergency contact information of dependents of employees or volunteers of a public agency. For purposes of this subsection, "employees" includes independent provider home care workers as defined in RCW 74.39A.240;

(5) Information that identifies a person who, while an agency employee: (a) Seeks advice, under an informal process established by the employing agency, in order to ascertain his or her rights in connection with a possible unfair practice under chapter 49.60 RCW against the person; and (b) requests his or her identity or any identifying information not be disclosed;

(6) Investigative records compiled by an employing agency in connection with an investigation of a possible unfair practice under chapter 49.60 RCW or of a possible violation of other federal, state, or local laws or an employing agency's internal policies prohibiting discrimination or harassment in employment. Records are exempt in their entirety while the investigation is active and ongoing. After the agency has notified the complaining employee of the outcome of the investigation, the records may be disclosed only if the names of complainants, other accusers, and witnesses are redacted, unless a complainant, other accuser, or witness has consented to the

disclosure of his or her name. The employing agency must inform a complainant, other accuser, or witness that his or her name will be redacted from the investigation records unless he or she consents to disclosure;

(7) Criminal history records checks for board staff finalist candidates conducted pursuant to RCW 43.33A.025;

(8) Photographs and month and year of birth in the personnel files of employees or volunteers of a public agency, including employees and workers of criminal justice agencies as defined in RCW 10.97.030. The news media, as defined in RCW 5.68.010(5), shall have access to the photographs and full date of birth. For the purposes of this subsection, news media does not include any person or organization of persons in the custody of a criminal justice agency as defined in RCW 10.97.030;

(9) The global positioning system data that would indicate the location of the residence of a public employee or volunteer using the global positioning system recording device;

(10) ((~~Until the person reaches eighteen years of age, information, otherwise disclosable under chapter 29A.08 RCW, that relates to a future voter, except for the purpose of processing and delivering ballots~~))Information relating to a future voter, as provided in section 1 of this act; and

(11) Voluntarily submitted information collected and maintained by a state agency or higher education institution that identifies an individual state employee's personal demographic details. "Personal demographic details" means race or ethnicity, sexual orientation as defined by RCW 49.60.040((~~(26)~~))(27), immigration status, national origin, or status as a person with a disability. This exemption does not prevent the release of state employee demographic information in a deidentified or aggregate format.

(12) Upon receipt of a request for information located exclusively in an employee's personnel, payroll, supervisor, or training file, the agency must provide notice to the employee, to any union representing the employee, and to the requestor. The notice must state:

(a) The date of the request;

(b) The nature of the requested record relating to the employee;

(c) That the agency will release any information in the record which is not exempt from the disclosure requirements of this chapter at least ten days from the date the notice is made; and

(d) That the employee may seek to enjoin release of the records under RCW 42.56.540.

NEW SECTION. **Sec. 16.** RCW 29A.08.375 (Automatic registration—Rule-making authority) and 2018 c 110 s 207 are each repealed.

NEW SECTION. **Sec. 17.** Section 12 of this act expires September 1, 2023.

NEW SECTION. **Sec. 18.** Section 13 of this act takes effect September 1, 2023."

Correct the title.

Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Gregerson and Mena.

MINORITY recommendation: Without recommendation. Signed by Representatives Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; and Low.

Referred to Committee on Rules for second reading

March 28, 2023

ESSB 5173 Prime Sponsor, Law & Justice: Concerning property exempt from execution. Reported by Committee on Civil Rights & Judiciary

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 6.15.010 and 2021 c 50 s 2 are each amended to read as follows:

(1) Except as provided in RCW 6.15.050, the following personal property is exempt from execution, attachment, and garnishment:

(a) All wearing apparel of every individual and family, but not to exceed ((~~three thousand five hundred dollars~~))$3,500 in value in furs, jewelry, and personal ornaments for any individual.

(b) All private libraries including electronic media, which includes audiovisual, entertainment, or reference media in digital or analogue format, of every individual, but not to exceed ((~~three thousand five hundred dollars~~))$3,500 in value, and all family pictures and keepsakes.

(c) A cell phone, personal computer, and printer.

(d) To each individual or, as to community property of spouses maintaining a single household as against a creditor of the community, to the community, provided that each spouse is entitled to his or her own exemptions in this subsection (1)(d):

(i) ((~~The individual's or community's~~))All household goods, appliances, furniture, and home and yard equipment, not to exceed ((~~six thousand five hundred dollars~~))$6,500 in value for the individual ((~~or thirteen thousand dollars for the community, no single item to exceed seven hundred fifty dollars~~)), said amount to include provisions and fuel for ((~~the~~)) comfortable maintenance ((~~of the individual or community~~));

(ii) In a bankruptcy case, any other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed $10,000 in value. The value shall be determined as of the date the bankruptcy petition is filed;

(iii) Other than in a bankruptcy case as described in (d)(ii) of this subsection, other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed ((~~three thousand dollars~~))$3,000 in value, ((~~of which not more than~~

~~one thousand five hundred dollars in value may consist of cash, and~~)) of which not more than:

(A) For all debts except private student loan debt and consumer debt, ((~~five hundred dollars~~))$500 in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)((~~(ii)~~))(iii)(A) shall be automatically protected and may not exceed ((~~five hundred dollars~~))$500, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(B) For all private student loan debt, ((~~two thousand five hundred dollars~~))$2,500 in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. $1,000 in value shall be automatically protected. The maximum exemption under this subsection (1)(d)((~~(ii)~~))(iii)(B) may not exceed ((~~two thousand five hundred dollars~~))$2,500, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(C) For all consumer debt, ((~~two thousand dollars~~))$2,000 in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. $1,000 in value shall be automatically protected. The maximum exemption under this subsection (1)(d)((~~(ii)~~))(iii)(C) may not exceed ((~~two thousand dollars~~))$2,000, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities;

((~~(iii) For an individual, a~~))(iv) A motor vehicle ((~~used for personal transportation,~~)) not to exceed ((~~three thousand two hundred fifty dollars or for a community two motor vehicles used for personal transportation, not to exceed six thousand five hundred dollars~~))$15,000 in aggregate value;

((~~(iv)~~))(v) Any past due, current, or future child support paid or owed to the debtor, which can be traced;

((~~(v)~~))(vi) All professionally prescribed health aids for the debtor or a dependent of the debtor; ((~~and~~

~~(vi)~~))(vii) To any individual, the right to or proceeds of a payment not to exceed twenty thousand dollars on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor; and

(viii) In a bankruptcy case, the right to or proceeds of personal injury of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent are free of the enforcement of the claims of creditors, except to the extent such claims are for the satisfaction of any liens or subrogation claims arising out of the claims for personal injury or death. The exemption under this subsection (1)(d)((~~(vi)~~))(viii) does not apply to the right of the state of Washington, or any agent or assignee of the state, as a lienholder or subrogee under RCW 43.20B.060.

(e) ((~~To each qualified individual, one of the following exemptions:~~

~~(i) To a farmer, farm trucks, farm stock, farm tools, farm equipment, supplies and seed, not to exceed ten thousand dollars in value;~~

~~(ii) To a physician, surgeon, attorney, member of the clergy, or other professional person, the individual's library, office furniture, office equipment and supplies, not to exceed ten thousand dollars in value;~~

~~(iii)~~)) To any ((~~other~~)) individual, the tools ((~~and~~)), instruments ((~~and~~)), materials, and supplies used to carry on his or her trade ((~~for the support of himself or herself or family,~~)) not to exceed ((~~ten thousand dollars~~))$15,000 in value.

(f) Tuition units, under chapter 28B.95 RCW, purchased more than two years prior to the date of a bankruptcy filing or court judgment, and contributions to any other qualified tuition program under 26 U.S.C. Sec. 529 of the internal revenue code of 1986, as amended, and to a Coverdell education savings account, also known as an education individual retirement account, under 26 U.S.C. Sec. 530 of the internal revenue code of 1986, as amended, contributed more than two years prior to the date of a bankruptcy filing or court judgment.

(2) For purposes of this section, "value" means the reasonable market value of the debtor's interest in an article or item at the time it is selected for exemption, exclusive of all liens and encumbrances thereon.

(3)(a) In the case of married persons, each spouse is entitled to the exemptions provided in this section, which may be combined with the other spouse's exemption in the same property or taken in different exempt property.

(b) Whenever a debtor claims a combined exemption with their spouse, a creditor may serve on the debtor a written demand for evidence that the debtor is married and their spouse has agreed to the combined exemption. The demand must expressly and clearly state the debtor has 30 days to send the creditor a response by mail or email, the specific mailing or email address the debtor must send a response to, and that the debtor may establish the existence of their marriage through documentary evidence such as a copy of their marriage certificate or an equivalent document, and may establish each spouse's agreement to combine exemptions with a written declaration given under penalty of perjury that has been signed by both spouses. The creditor shall provide the debtor with a one-page form declaration for this purpose with its demand for evidence.

(c) If the debtor fails to timely respond to the creditor's demand, or the creditor concludes in good faith on the basis of the debtor's response that the debtor is not

married or their spouse has not consented to combine exemptions, the creditor may seek a declaratory judgment pursuant to chapter 7.24 RCW, from the superior court of the county in which the debtor resides or from the court wherein the exemption claim is at issue, that the debtor is not legally entitled to claim a combined exemption. If the court finds a combined exemption was claimed in bad faith, the court may award costs and attorneys' fees to the creditor. If the court finds the creditor objected to the combined exemption or sought declaratory judgment in bad faith, the court may award costs and reasonable attorneys' fees to the debtor. A creditor shall not seek to execute, attach, garnish, or otherwise collect funds or property a debtor has claimed as subject to a specific combined exemption unless a court has issued a declaratory judgment that the debtor is not legally entitled to claim the combined exemption at issue.

(4)(a) Beginning April 2026, and each April on a three-year interval thereafter, the department of revenue must adjust the applicable amounts for the following three-year interval by multiplying the current applicable amounts by one plus the percentage by which the most current consumer price index available on January 31st of the year of such April exceeds the consumer price index for the prior three-year period, and rounding the result to the nearest $25. If an adjustment under this subsection (4) would reduce the applicable amounts under this section, the department of revenue must not adjust the applicable amounts for use in the three-year interval. The department of revenue must publish the adjusted applicable amounts on its public website by April 1st of the first year of the three-year interval in which the applicable amounts are adjusted. The adjusted applicable amounts calculated under this subsection (4) take effect on April 1st of the calendar year in which they are adjusted under this subsection (4).

(b) For purposes of this subsection (4):

(i) "Applicable amounts" means each dollar amount in effect under this section.

(ii) "Consumer price index" means the consumer price index seasonally adjusted for all urban consumers, all items, for the United States as calculated by the United States bureau of labor statistics or its successor agency.

**Sec. 2.** RCW 6.15.010 and 2019 c 371 s 3 are each amended to read as follows:

(1) Except as provided in RCW 6.15.050, the following personal property is exempt from execution, attachment, and garnishment:

(a) All wearing apparel of every individual and family, but not to exceed ((~~three thousand five hundred dollars~~)) $3,500 in value in furs, jewelry, and personal ornaments for any individual.

(b) All private libraries including electronic media, which includes audiovisual, entertainment, or reference media in digital or analogue format, of every individual, but not to exceed ((~~three thousand five hundred dollars~~))$3,500 in value, and all family pictures and keepsakes.

(c) A cell phone, personal computer, and printer.

(d) To each individual or, as to community property of spouses maintaining a single household as against a creditor of the community, to the community, provided that each spouse is entitled to his or her own exemptions in this subsection (1)(d):

(i) ((~~The individual's or community's~~))All household goods, appliances, furniture, and home and yard equipment, not to exceed ((~~six thousand five hundred dollars~~))$6,500 in value for the individual ((~~or thirteen thousand dollars for the community, no single item to exceed seven hundred fifty dollars~~)), said amount to include provisions and fuel for ((~~the~~)) comfortable maintenance ((~~of the individual or community~~));

(ii) In a bankruptcy case, any other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed $10,000 in value. The value shall be determined as of the date the bankruptcy petition is filed;

(iii) Other than in a bankruptcy case as described in (d)(ii) of this subsection, other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed ((~~three thousand dollars~~)) $3,000 in value, ((~~of which not more than one thousand five hundred dollars in value may consist of cash, and~~)) of which not more than:

(A) For all debts except private student loan debt and consumer debt, ((~~five hundred dollars~~))$500 in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)((~~(ii)~~))(iii)(A) may not exceed ((~~five hundred dollars~~))$500, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(B) For all private student loan debt, ((~~two thousand five hundred dollars~~))$2,500 in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)((~~(ii)~~))(iii)(B) may not exceed ((~~two thousand five hundred dollars~~))$2,500, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(C) For all consumer debt, ((~~two thousand dollars~~))$2,000 in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(d)((~~(ii)~~))(iii)(C) may not exceed ((~~two thousand dollars~~))$2,000, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities;

((~~(iii) For an individual, a~~))(iv) A motor vehicle ((~~used for personal transportation,~~)) not to exceed ((~~three thousand two hundred fifty dollars or for a community two motor vehicles used for personal transportation, not to exceed six thousand five hundred dollars~~))$15,000 in aggregate value;

((~~(iv)~~))(v) Any past due, current, or future child support paid or owed to the debtor, which can be traced;

((~~(v)~~))(vi) All professionally prescribed health aids for the debtor or a dependent of the debtor; ((~~and~~

~~(vi)~~))(vii) To any individual, the right to or proceeds of a payment not to exceed twenty thousand dollars on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor; and

(viii) In a bankruptcy case, the right to or proceeds of personal injury of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent are free of the enforcement of the claims of creditors, except to the extent such claims are for the satisfaction of any liens or subrogation claims arising out of the claims for personal injury or death. The exemption under this subsection (1)(d)((~~(vi)~~))(viii) does not apply to the right of the state of Washington, or any agent or assignee of the state, as a lienholder or subrogee under RCW 43.20B.060.

(e) ((~~To each qualified individual, one of the following exemptions:~~

~~(i) To a farmer, farm trucks, farm stock, farm tools, farm equipment, supplies and seed, not to exceed ten thousand dollars in value;~~

~~(ii) To a physician, surgeon, attorney, member of the clergy, or other professional person, the individual's library, office furniture, office equipment and supplies, not to exceed ten thousand dollars in value;~~

~~(iii)~~)) To any ((~~other~~)) individual, the tools ((~~and~~)), instruments ((~~and~~)), materials, and supplies used to carry on his or her trade ((~~for the support of himself or herself or family,~~)) not to exceed ((~~ten thousand dollars~~))$15,000 in value.

(f) Tuition units, under chapter 28B.95 RCW, purchased more than two years prior to the date of a bankruptcy filing or court judgment, and contributions to any other qualified tuition program under 26 U.S.C. Sec. 529 of the internal revenue code of 1986, as amended, and to a Coverdell education savings account, also known as an education individual retirement account, under 26 U.S.C. Sec. 530 of the internal revenue code of 1986, as amended, contributed more than two years prior to the date of a bankruptcy filing or court judgment.

(2) For purposes of this section, "value" means the reasonable market value of the debtor's interest in an article or item at the time it is selected for exemption, exclusive of all liens and encumbrances thereon.

(3)(a) In the case of married persons, each spouse is entitled to the exemptions provided in this section, which may be combined with the other spouse's exemption in the same property or taken in different exempt property.

(b) Whenever a debtor claims a combined exemption with their spouse, a creditor may serve on the debtor a written demand for evidence that the debtor is married and their spouse has agreed to the combined exemption. The demand must expressly and clearly state the debtor has 30 days to send the creditor a response by mail or email, the specific mailing or email address the debtor must send a response to, and that the debtor may establish the existence of their marriage through documentary evidence such as a copy of their marriage certificate or an equivalent document, and may establish each spouse's agreement to combine exemptions with a written declaration given under penalty of perjury that has been signed by both spouses. The creditor shall provide the debtor with a one-page form declaration for this purpose with its demand for evidence.

(c) If the debtor fails to timely respond to the creditor's demand, or the creditor concludes in good faith on the basis of the debtor's response that the debtor is not married or their spouse has not consented to combine exemptions, the creditor may seek a declaratory judgment pursuant to chapter 7.24 RCW, from the superior court of the county in which the debtor resides or from the court wherein the exemption claim is at issue, that the debtor is not legally entitled to claim a combined exemption. If the court finds a combined exemption was claimed in bad faith, the court may award costs and attorneys' fees to the creditor. If the court finds the creditor objected to the combined exemption or sought declaratory judgment in bad faith, the court may award costs and reasonable attorneys' fees to the debtor. A creditor shall not seek to execute, attach, garnish, or otherwise collect funds or property a debtor has claimed as subject to a specific combined exemption unless a court has issued a declaratory judgment that the debtor is not legally entitled to claim the combined exemption at issue.

(4)(a) Beginning April 2026, and each April on a three-year interval thereafter, the department of revenue must adjust the applicable amounts for the following three-year interval by multiplying the current applicable amounts by one plus the percentage by which the most current consumer price index available on January 31st of the year of such April exceeds the consumer price index for the prior three-year period, and rounding the result to the nearest $25. If an adjustment under this subsection (4) would reduce the applicable amounts under this section, the department of revenue must not adjust the applicable amounts for use in the three-year interval. The department of revenue must publish the adjusted applicable amounts on its public website by April 1st of the first year of the three-year interval in which the applicable amounts are adjusted. The adjusted applicable amounts calculated under this subsection (4) take effect on April 1st

of the calendar year in which they are adjusted under this subsection (4).

(b) For purposes of this subsection (4):

(i) "Applicable amounts" means each dollar amount in effect under this section.

(ii) "Consumer price index" means the consumer price index seasonally adjusted for all urban consumers, all items, for the United States as calculated by the United States bureau of labor statistics or its successor agency.

**Sec. 3.** RCW 51.32.040 and 2013 c 125 s 6 are each amended to read as follows:

(1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260, and 51.32.380, no money paid or payable under this title shall, ((~~before the issuance and delivery of the payment,~~)) be assigned, charged, or taken in execution, attached, garnished, or pass or be paid to any other person by operation of law, any form of voluntary assignment, or power of attorney. Any such assignment or charge is void unless the transfer is to a financial institution at the request of a worker or other beneficiary and made in accordance with RCW 51.32.045. Payments retain their exempt status even after issuance.

(2)(a) If any worker suffers (i) a permanent partial injury and dies from some other cause than the accident which produced the injury before he or she receives payment of the award for the permanent partial injury or (ii) any other injury before he or she receives payment of any monthly installment covering any period of time before his or her death, the amount of the permanent partial disability award or the monthly payment, or both, shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the award or the amount of the monthly payment shall be paid by the department or self-insurer and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.

(b) If any worker suffers an injury and dies from it before he or she receives payment of any monthly installment covering time loss for any period of time before his or her death, the amount of the monthly payment shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the amount of the monthly payment shall be paid by the department or self-insurer and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.

(c) Any application for compensation under this subsection (2) shall be filed with the department or self-insuring employer within one year of the date of death. The department or self-insurer may satisfy its responsibilities under this subsection (2) by sending any payment due in the name of the decedent and to the last known address of the decedent.

(3)(a) Any worker or beneficiary receiving benefits under this title who is subsequently confined in, or who subsequently becomes eligible for benefits under this title while confined in, any institution under conviction and sentence shall have all payments of the compensation canceled during the period of confinement. After discharge from the institution, payment of benefits due afterward shall be paid if the worker or beneficiary would, except for the provisions of this subsection (3), otherwise be entitled to them.

(b) If any prisoner is injured in the course of his or her employment while participating in a work or training release program authorized by chapter 72.65 RCW and is subject to the provisions of this title, he or she is entitled to payments under this title, subject to the requirements of chapter 72.65 RCW, unless his or her participation in the program has been canceled, or unless he or she is returned to a state correctional institution, as defined in RCW 72.65.010(3), as a result of revocation of parole or new sentence.

(c) If the confined worker has any beneficiaries during the confinement period during which benefits are canceled under (a) or (b) of this subsection, they shall be paid directly the monthly benefits which would have been paid to the worker for himself or herself and the worker's beneficiaries had the worker not been confined.

(4) Any lump sum benefits to which a worker would otherwise be entitled but for the provisions of this section shall be paid on a monthly basis to his or her beneficiaries.

**Sec. 4.** RCW 6.27.100 and 2021 c 50 s 3 are each amended to read as follows:

(1) A writ issued for a continuing lien on earnings shall be substantially in the form provided in RCW 6.27.105. All other writs of garnishment shall be substantially in the following form, but:

(a) If the writ is issued under an order or judgment for child support, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for child support";

(b) If the writ is issued under an order or judgment for private student loan debt, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for private student loan debt";

(c) If the writ is issued under an order or judgment for consumer debt, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for consumer debt"; and

(d) If the writ is issued by an attorney, the writ shall be revised as indicated in subsection (2) of this section:

"IN THE . . . . . COURT
OF THE STATE OF WASHINGTON IN AND FOR
THE COUNTY OF . . . . . .

. . . . . ,
Plaintiff, No. . . . .
vs.
. . . . . , WRIT OF

Defendant, GARNISHMENT
. . . . . ,
Garnishee

THE STATE OF WASHINGTON TO: . . . .
Garnishee

AND TO: . . . . . .
Defendant

The above-named plaintiff has applied for a writ of garnishment against you, claiming that the above-named defendant is indebted to plaintiff and that the amount to be held to satisfy that indebtedness is $ . . . . . ., consisting of:

| | |
|---|---|
| Balance on Judgment or Amount of Claim | $ . . . . |
| Interest under Judgment from . . . . to . . . . | $ . . . . |
| Per Day Rate of Estimated Interest | $ . . . . per day |
| Taxable Costs and Attorneys' Fees | $ . . . . |
| Estimated Garnishment Costs: | |
| Filing and Ex Parte Fees | $ . . . . |
| Service and Affidavit Fees | $ . . . . |
| Postage and Costs of Certified Mail | $ . . . . |
| Answer Fee or Fees | $ . . . . |
| Garnishment Attorney Fee | $ . . . . |
| Other | $ . . . . |

YOU ARE HEREBY COMMANDED, unless otherwise directed by the court, by the attorney of record for the plaintiff, or by this writ, not to pay any debt, whether earnings subject to this garnishment or any other debt, owed to the defendant at the time this writ was served and not to deliver, sell, or transfer, or recognize any sale or transfer of, any personal property or effects of the defendant in your possession or control at the time when this writ was served. Any such payment, delivery, sale, or transfer is void to the extent necessary to satisfy the plaintiff's claim and costs for this writ with interest.

YOU ARE FURTHER COMMANDED to answer this writ according to the instructions in this writ and in the answer forms and, within twenty days after the service of the writ upon you, to mail or deliver the original of such answer to the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant, at the addresses listed at the bottom of this writ.

If you owe the defendant a debt payable in money in excess of the amount set forth in the first paragraph of this writ, hold only the amount set forth in the first paragraph and any processing fee if one is charged and release all additional funds or property to defendant.

FOR ALL DEBTS EXCEPT PRIVATE STUDENT LOAN DEBT AND CONSUMER DEBT:

If you are a bank or other institution in which the defendant has accounts to which the exemption under RCW 6.15.010(1)(d) ((~~(iii)~~))(iii)(A) applies and the total of the amounts held in all of the defendant's accounts is less than or equal to $500, release all funds or property to the defendant and do not hold any amount. However, if you have documentation that the funds in the account are the community property of married persons or domestic partners, and if the total of the amounts held in all of the combined accounts of the married persons or domestic partners is less than or equal to $1,000, then release all funds or property to the defendant and do not hold any amount.

If you are a bank or other institution in which the defendant has accounts to which the exemption under RCW 6.15.010(1)(d) ((~~(iii)~~))(iii)(A) applies and the total of the amounts held in all of the defendant's accounts is in excess of $500, release at least $500, hold no more than the amount set forth in the first paragraph of this writ and any processing fee if one is charged, and release additional funds or property, if any, to the defendant. However, if you have documentation that the funds in the account are the community property of married persons or domestic partners, and if the total of the amounts held in all of the combined accounts of the married persons or domestic partners is in excess of $1,000, release at least $1,000, hold no more than the amount set forth in the first paragraph of this writ and any processing fee if one is charged, and release additional funds or property, if any, to the defendant.

FOR PRIVATE STUDENT LOAN DEBT AND CONSUMER DEBT:

If you are a bank or other institution in which the defendant has accounts to which the exemption under RCW 6.15.010(1)(d) ((~~(iii)~~))(iii) (B) or (C) applies and the total of the amounts held in all of the defendant's accounts is less than or equal to $1,000, release all funds or property to the defendant and do not hold any amount. However, if you have documentation that the funds in the account are the community property of married persons or domestic partners, and if the total of the amounts held in all of the combined accounts of the married persons or domestic partners is less than or equal to $2,000, then release all funds or property to the defendant and do not hold any amount.

If you are a bank or other institution in which the defendant has accounts to which the exemption under RCW 6.15.010(1)(d) ((~~(iii)~~))(iii) (B) or (C) applies and the total of the amounts held in all of the defendant's accounts is in excess of $1,000, release at least $1,000, hold no more than the amount set forth in the first paragraph of this writ and any processing fee if one is charged, and release additional funds or property, if any, to the defendant. However, if you have documentation that the funds in the account are the community property of married persons or domestic partners, and if the total of the amounts held in all of the combined accounts of the married persons or

domestic partners is in excess of $2,000, release at least $2,000, hold no more than the amount set forth in the first paragraph of this writ and any processing fee if one is charged, and release additional funds or property, if any, to the defendant.

IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND FEES INCURRED BY THE PLAINTIFF.

Witness, the Honorable . . . . . ., Judge of the above-entitled Court, and the seal thereof, this . . . . day of . . . . ., . . . . (year)

[Seal]

| | |
|---|---|
| . . . . . | . . . . . |
| Attorney for Plaintiff (or Plaintiff, if no attorney) | Clerk of the Court |
| . . . . . | . . . . . |
| Address | By |
| . . . . . | . . . . . |
| Name of Defendant | Address" |
| . . . . . | |
| Address of Defendant | |

(2) If an attorney issues the writ of garnishment, the final paragraph of the writ, containing the date, and the subscripted attorney and clerk provisions, shall be replaced with text in substantially the following form:

"This writ is issued by the undersigned attorney of record for plaintiff under the authority of chapter 6.27 of the Revised Code of Washington, and must be complied with in the same manner as a writ issued by the clerk of the court.

| | |
|---|---|
| Dated this . . . . . .day of . . . . . ., . . . . (year) | |
| . . . . . | |
| Attorney for Plaintiff | |
| . . . . . | . . . . . |
| Address | Address of the Clerk of the Court" |
| . . . . . | |
| Name of Defendant | |
| . . . . . | |
| Address of Defendant | |

**Sec. 5.** RCW 6.27.140 and 2021 c 35 s 2 are each amended to read as follows:

(1) The notice required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in no smaller than size twelve point font:

NOTICE OF GARNISHMENT
AND OF YOUR RIGHTS

A Writ of Garnishment issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the writ of garnishment. You should receive a copy of your employer's answer, which will show how the exempt amount was calculated. A garnishment against wages or other earnings for child support may not be issued under chapter 6.27 RCW. If the garnishment is for private student loan debt, the exempt amount paid to you will be the greater of the following: A percent of your disposable earnings, which is eighty-five percent of the part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld, or fifty times the minimum hourly wage of the highest minimum wage law in the state at the time the earnings are payable. If the garnishment is for consumer debt, the exempt amount paid to you will be the greater of the following: A percent of your disposable earnings, which is eighty percent of the part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld, or thirty-five times the state minimum hourly wage.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits such as Temporary Assistance for Needy Families, Supplemental Security Income (SSI), Social Security, veterans' benefits, unemployment compensation, or any federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan, you may claim the account as fully exempt if you have deposited only such benefit funds in the account. It may be partially exempt even though you have deposited money from other sources in the same

account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent are exempt from a garnishment on the child support obligation of the parent.

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts certain property of your choice (including, if the judgment is for private student loan debt, up to $2,500.00 in a bank account ((~~if you owe on private student loan debts;~~)), or for a marital community or domestic partnership up to $5,000.00 in a bank account; if the judgment is for other consumer debt, up to $2,000.00 in a bank account ((~~if you owe on consumer debts; or~~)), or for a marital community or domestic partnership up to $4,000.00 in a bank account; or, if the judgment is for any other debts, up to $500.00 in a bank account ((~~for all other debts~~)), or for a marital community or domestic partnership up to $1,000.00 in a bank account) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in instructions on the claim form. If the plaintiff does not object to your claim, the funds or other property that you have claimed as exempt must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

(2)(a) If the writ is to garnish funds or property held by a financial institution, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in no smaller than size twelve point font:

[Caption to be filled in by judgment creditor
or plaintiff before mailing.]

Name of Court

. . . . . No . . . . . .
Plaintiff,

vs.

. . . . . EXEMPTION CLAIM
Defendant,

Garnishee
Defendant

INSTRUCTIONS:

1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

[ ] The account contains payments from:

[ ] Temporary assistance for needy families, SSI, or other public assistance. I receive $ . . . . . monthly.
[ ] Social Security. I receive $ . . . . . monthly.
[ ] Veterans' Benefits. I receive $ . . . . . monthly.
[ ] Federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan. I receive $ . . . . . monthly.
[ ] Unemployment Compensation. I receive $ . . . . . monthly.
[ ] Child support. I receive $ . . . . . monthly.
[ ] Other. Explain . . . . . .

((~~[ ] $2,500 exemption for private student loan debts.~~
~~[ ] $2,000 exemption for consumer debts.~~
~~[ ] $500 exemption for all other debts.~~))
[ ] I/We claim the following exemptions:

[ ] Exemption for private student loan debts:

[ ] $2,500 for an individual; or
[ ] $5,000 for a marital community or domestic partnership.

[ ] Exemption for consumer debts:

[ ] $2,000 for an individual; or
[ ] $4,000 for a marital community or domestic partnership.

[ ] Exemption for all other debts:

[ ] $500 for an individual; or
[ ] $1,000 for a marital community or domestic partnership.

IF EXEMPTION IN BANK ACCOUNT IS CLAIMED, ANSWER ONE OR BOTH OF THE FOLLOWING:

[ ] No money other than from above payments are in the account.
[ ] Moneys in addition to the above payments have been deposited in the account. Explain . . . . . .
. . . . . .
. . . . . .

OTHER PROPERTY:

[ ] Describe property . . . . . .
. . . . . .
(If you claim other personal property as exempt, you must attach a list of all other personal property that you own.)

| | |
|---|---|
| . . . . . | . . . . . |
| Print: Your name | If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner |
| . . . . . | . . . . . |
| Your signature | Signature of husband, wife, or state registered domestic partner |
| . . . . . | . . . . . |
| . . . . . | . . . . . |
| Address | Address (if different from yours) |
| . . . . . | . . . . . |
| Telephone number | Telephone number (if different from yours) |

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(b) If the writ is directed to an employer to garnish earnings, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in no smaller than size twelve point font type:

[Caption to be filled in by judgment creditor or plaintiff before mailing.]

. . . . . .
Name of Court

. . . . . No . . . . . .
Plaintiff,

vs.

. . . . . EXEMPTION CLAIM
Defendant,

. . . . . .
Garnishee Defendant

INSTRUCTIONS:

1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

[ ] Name and address of employer who is paying the benefits:. . . . . .

IF EARNINGS ARE GARNISHED FOR PRIVATE STUDENT LOAN DEBT:

[ ] I claim maximum exemption.

IF EARNINGS ARE GARNISHED FOR CONSUMER DEBT:

[ ] I claim maximum exemption.

| | |
|---|---|
| . . . . . | . . . . . |
| Print: Your name | If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner |
| . . . . . | . . . . . |
| Your signature | Signature of husband, wife, or state registered domestic partner |
| . . . . . | . . . . . |
| . . . . . | . . . . . |
| Address | Address (if different from yours) |
| . . . . . | . . . . . |
| Telephone number | Telephone number (if different from yours) |

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(c) If the writ under (b) of this subsection is not a writ for the collection of private student loan debt, the exemption language pertaining to private student loan debt may be omitted.

(d) If the writ under (b) of this subsection is not a writ for the collection of consumer debt, the exemption language pertaining to consumer debt may be omitted.

NEW SECTION. **Sec. 6.** Sections 1 and 4 of this act expire July 1, 2025.

NEW SECTION. **Sec. 7.** Section 2 of this act takes effect July 1, 2025."

Correct the title.

Signed by Representatives Hansen, Chair; Farivar, Vice Chair; Walsh, Ranking Minority Member; Entenman; Goodman; Peterson; Thai and Walen.

MINORITY recommendation: Do not pass. Signed by Representative Graham, Assistant Ranking Minority Member.

MINORITY recommendation: Without recommendation. Signed by Representatives Cheney; and Rude.

Referred to Committee on Rules for second reading

March 28, 2023

ESB 5175 Prime Sponsor, Senator Wellman: Concerning written contracts between school boards and principals. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 28A.405.210 and 2016 c 85 s 1 are each amended to read as follows:

(1) No teacher, principal, supervisor, superintendent, or other certificated employee, holding a position as such with a school district, hereinafter referred to as "employee", shall be employed except by written order of a majority of the directors of the district at a regular or special meeting thereof, nor unless he or she is the holder of an effective teacher's certificate or other certificate required by law or the Washington professional educator standards board for the position for which the employee is employed.

(2)(a) The board shall make with each employee employed by it a written contract, which shall be in conformity with the laws of this state, and except as otherwise provided by law and under (b) of this subsection, limited to a term of not more than one year. Every such contract shall be made in duplicate, one copy to be retained by the school district superintendent or secretary and one copy to be delivered to the employee. No contract shall be offered by any board for the employment of any employee who has previously signed an employment contract for that same term in another school district of the state of Washington unless such employee shall have been released from his or her obligations under such previous contract by the board of directors of the school district to which he or she was obligated. Any contract signed in violation of this provision shall be void.

(b) A written contract made by a board with a principal under (a) of this subsection may be for a term of up to three years if the principal has: (i) Been employed as a principal for three or more consecutive years; (ii) been recommended by the superintendent as a candidate for a two or three-year contract because the principal has demonstrated the ability to stabilize instructional practices and received a

comprehensive performance rating of level 3 or above in their most recent comprehensive performance evaluation under RCW 28A.405.100; and (iii) met the school district's requirements for satisfying an updated record check under RCW 28A.400.303. A written contract made by a board with a principal under (a) of this subsection for a term of three years may not be renewed before the final year of the contract.

(3) In the event it is determined that there is probable cause or causes that the employment contract of an employee should not be renewed by the district for the next ensuing term such employee shall be notified in writing on or before May 15th preceding the commencement of such term of that determination, or if the omnibus appropriations act has not passed the legislature by the end of the regular legislative session for that year, then notification shall be no later than June 15th, which notification shall specify the cause or causes for nonrenewal of contract. Such determination of probable cause for certificated employees, other than the superintendent, shall be made by the superintendent. Such notice shall be served upon the employee personally, or by certified or registered mail, or by leaving a copy of the notice at the house of his or her usual abode with some person of suitable age and discretion then resident therein. Every such employee so notified, at his or her request made in writing and filed with the president, chair or secretary of the board of directors of the district within ((~~ten~~))10 days after receiving such notice, shall be granted opportunity for hearing pursuant to RCW 28A.405.310 to determine whether there is sufficient cause or causes for nonrenewal of contract: PROVIDED, That any employee receiving notice of nonrenewal of contract due to an enrollment decline or loss of revenue may, in his or her request for a hearing, stipulate that initiation of the arrangements for a hearing officer as provided for by RCW 28A.405.310(4) shall occur within ((~~ten~~))10 days following July 15 rather than the day that the employee submits the request for a hearing. If any such notification or opportunity for hearing is not timely given, the employee entitled thereto shall be conclusively presumed to have been reemployed by the district for the next ensuing term upon contractual terms identical with those which would have prevailed if his or her employment had actually been renewed by the board of directors for such ensuing term.

(4) This section shall not be applicable to "provisional employees" as so designated in RCW 28A.405.220; transfer to a subordinate certificated position as that procedure is set forth in RCW 28A.405.230 or 28A.405.245 shall not be construed as a nonrenewal of contract for the purposes of this section.

**Sec. 2.** RCW 28A.400.300 and 2019 c 266 s 19 are each amended to read as follows:

(1) Every board of directors, unless otherwise specially provided by law, shall:

(a) Except as provided in RCW 28A.405.210(2) and subsection (3) of this section, employ for not more than one year, and for sufficient cause discharge all certificated and classified employees;

(b) Adopt written policies granting leaves to persons under contracts of employment with the school district(s) in positions requiring either certification or classified qualifications, including but not limited to leaves for attendance at official or private institutes and conferences and sabbatical leaves for employees in positions requiring certification qualification, and leaves for illness, injury, bereavement and, emergencies for both certificated and classified employees, and with such compensation as the board of directors prescribe. However, the board of directors shall adopt written policies granting to such persons annual leave with compensation for illness, injury and emergencies as follows:

(i) For such persons under contract with the school district for a full year, at least ((~~ten~~))10 days;

(ii) For such persons under contract with the school district as part time employees, at least that portion of ((~~ten~~))10 days as the total number of days contracted for bears to ((~~one hundred eighty~~))180 days;

(iii) For certificated and classified employees, annual leave with compensation for illness, injury, and emergencies shall be granted and accrue at a rate not to exceed ((~~twelve~~))12 days per year; provisions of any contract in force on June 12, 1980, which conflict with requirements of this subsection shall continue in effect until contract expiration; after expiration, any new contract executed between the parties shall be consistent with this subsection;

(iv) Compensation for leave for illness or injury actually taken shall be the same as the compensation such person would have received had such person not taken the leave provided in this proviso;

(v) Leave provided in this proviso not taken shall accumulate from year to year up to a maximum of ((~~one hundred eighty~~))180 days for the purposes of RCW 28A.400.210 and 28A.400.220, and for leave purposes up to a maximum of the number of contract days agreed to in a given contract, but not greater than one year. Such accumulated time may be taken at any time during the school year or up to ((~~twelve~~))12 days per year may be used for the purpose of payments for unused sick leave;

(vi) Sick leave heretofore accumulated under section 1, chapter 195, Laws of 1959 (former RCW 28.58.430) and sick leave accumulated under administrative practice of school districts prior to the effective date of section 1, chapter 195, Laws of 1959 (former RCW 28.58.430) is hereby declared valid, and shall be added to leave for illness or injury accumulated under this proviso;

(vii) Any leave for injury or illness accumulated up to a maximum of ((~~forty-five~~))45 days shall be creditable as service rendered for the purpose of determining the time at which an employee is eligible to retire, if such leave is taken it may not be compensated under the provisions of RCW 28A.400.210 and 28A.310.490;

(viii) Accumulated leave under this proviso shall be transferred to and from one district to another, the office of superintendent of public instruction, offices of educational service district superintendents and boards, the state school for the blind, the Washington center for deaf and hard of hearing youth, institutions of higher education, and community and technical colleges, to and from such districts, schools, offices, institutions of higher education, and community and technical colleges;

(ix) Leave accumulated by a person in a district prior to leaving said district may, under rules of the board, be granted to such person when the person returns to the employment of the district.

(2) When any certificated or classified employee leaves one school district within the state and commences employment with another school district within the state, the employee shall retain the same seniority, leave benefits and other benefits that the employee had in his or her previous position. However, classified employees who transfer between districts after July 28, 1985, shall not retain any seniority rights other than longevity when leaving one school district and beginning employment with another. If the school district to which the person transfers has a different system for computing seniority, leave benefits, and other benefits, then the employee shall be granted the same seniority, leave benefits and other benefits as a person in that district who has similar occupational status and total years of service.

(3) Notwithstanding subsection (1)(a) of this section, discharges of certificated and classified employees in school districts that are dissolved due to financial insolvency shall be conducted in accordance with RCW 28A.315.229."

Correct the title.

Signed by Representatives Santos, Chair; Shavers, Vice Chair; Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bergquist; Callan; Eslick; Harris; McClintock; Ortiz-Self; Pollet; Sandlin; Steele; Stonier and Timmons.

Referred to Committee on Rules for second reading

March 29, 2023

ESSB 5186 Prime Sponsor, Labor & Commerce: Requiring antidiscrimination clauses in public contracting. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 49.60 RCW to read as follows:

(1) After January 1, 2024, any contractor, including subcontractors, with the state for public works or for goods or services is subject to the nondiscrimination requirements of this section and any rules and regulations to implement it.

(2) Every state contract and subcontract for public works or for goods or services must contain a nondiscrimination clause prohibiting discrimination on the bases enumerated in subsection (3) of this section. The nondiscrimination clause must contain a provision requiring contractors and subcontractors to give written notice of their obligations under that clause to labor organizations with which they have a collective bargaining or other agreement.

(3) The antidiscrimination clauses required by this section must prohibit any covered contractor or subcontractor from:

(a) Refusing to hire any person because of age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability, unless based upon a bona fide occupational qualification: PROVIDED, That the prohibition against discrimination because of such disability shall not apply if the particular disability prevents the proper performance of the particular worker involved: PROVIDED, That this section shall not be construed to require an employer to establish employment goals or quotas based on sexual orientation;

(b) Discharging or barring any person from employment because of age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability;

(c) Discriminating against any person in compensation or in other terms or conditions of employment because of age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, the use of a trained dog guide or service animal by a person with a disability: PROVIDED, That it shall not be an unfair practice for an employer to segregate washrooms or locker facilities on the basis of sex, or to base other terms and conditions of employment on the sex of employees where the commission by regulation or ruling in a particular instance has found the employment practice to be appropriate for the practical realization of equality of opportunity between the sexes; or

(d) Printing or circulating, or causing to be printed or circulated, any statement, advertisement, or publication, or to use any form of application for employment, or to make any inquiry in connection with prospective employment, which expresses any limitation, specification, or discrimination as to age, sex, marital status, sexual orientation, gender identity, race, creed, color, national origin, citizenship or immigration status, honorably discharged

veteran or military status, or the presence of any sensory, mental, or physical disability, the use of a trained dog guide or service animal by a person with a disability, or any intent to make any such limitation, specification, or discrimination, unless based upon a bona fide occupational qualification: PROVIDED, That nothing contained herein shall prohibit advertising in a foreign language.

(4) The department of enterprise services, in collaboration with the office of minority and women's business enterprises, the office of equity, and the commission, must develop standard template contract provisions for public works and goods and services contracts to meet the provisions of this section.

**Sec. 2.** RCW 39.26.245 and 2010 c 5 s 6 are each amended to read as follows:

(1) All contracts entered into and purchases made, including leasing or renting, under this chapter on or after September 1, 1983, are subject to the requirements established under chapter 39.19 RCW.

(2) All procurement contracts entered into under this chapter on or after June 10, 2010, are subject to the requirements established under RCW 43.60A.200.

(3) All contracts with the state for goods or services entered into under this chapter on or after January 1, 2024, are subject to the requirements established under section 1 of this act.

**Sec. 3.** RCW 39.04.160 and 1983 c 120 s 11 are each amended to read as follows:

(1) All contracts entered into under this chapter by the state on or after September 1, 1983, are subject to the requirements established under chapter 39.19 RCW.

(2) All contracts entered into under this chapter by the state on or after January 1, 2024, are subject to the requirements established under section 1 of this act."

Correct the title.

Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; Gregerson; Low and Mena.

Referred to Committee on Rules for second reading

March 29, 2023

2SSB 5263 Prime Sponsor, Ways & Means: Concerning access to psilocybin services by individuals 21 years of age and older. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature intends to establish an advisory board, interagency work group, and a task force to provide advice and recommendations on developing a comprehensive regulatory framework for access to regulated psilocybin for Washington residents who are at least 21 years of age.

NEW SECTION. **Sec. 2.** The legislature declares that the purposes of this chapter are:

(1) To develop a long-term strategic plan for ensuring that psilocybin services become and remain a safe, accessible, and affordable option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate or as part of their indigenous religious or cultural practices;

(2) To protect the safety, welfare, health, and peace of the people of this state by prioritizing this state's limited law enforcement resources in the most effective, consistent, and rational way;

(3) To develop a comprehensive regulatory framework concerning psilocybin products and psilocybin services under state law;

(4) To prevent the distribution of psilocybin products to other persons who are not permitted to possess psilocybin products under this chapter including but not limited to persons under 21 years of age; and

(5) To prevent the diversion of psilocybin products from this state to other states.

NEW SECTION. **Sec. 3.** This chapter may be known and cited as the Washington psilocybin services act.

NEW SECTION. **Sec. 4.** (1) The Washington psilocybin advisory board is established within the department of health to provide advice and recommendations to the department of health, the liquor and cannabis board, and the department of agriculture. The Washington psilocybin advisory board shall consist of:

(a) Members appointed by the governor as specified in subsection (2) of this section;

(b) The secretary of the department of health or the secretary's designee;

(c) The state health officer or a physician acting as the state health officer's designee;

(d) A representative from the department of health who is familiar with public health programs and public health activities in this state; and

(e) A designee of the public health advisory board.

(2) The governor shall appoint the following individuals to the Washington psilocybin advisory board:

(a) Any four of the following:

(i) A state employee who has technical expertise in the field of public health;

(ii) A local health officer;

(iii) An individual who is a member of, or who represents, a federally recognized Indian tribe in this state;

(iv) An individual who is a member of, or who represents, a body that provides policy advice relating to substance use disorder policy;

(v) An individual who is a member of, or who represents, a body that provides policy advice relating to health equity;

(vi) An individual who is a member of, or who represents, a body that provides policy advice related to palliative care and quality of life; or

(vii) An individual who represents individuals who provide public health services directly to the public;

(b) A military veteran, or representative of an organization that advocates on behalf of military veterans, with knowledge of psilocybin;

(c) A social worker, mental health counselor, or marriage and family therapist licensed under chapter 18.225 RCW;

(d) A person who has knowledge regarding the indigenous or religious use of psilocybin;

(e) A psychologist licensed under chapter 18.83 RCW who has professional experience engaging in the diagnosis or treatment of a mental, emotional, or behavioral condition;

(f) A physician licensed under chapter 18.71 RCW;

(g) A naturopath licensed under chapter 18.36A RCW;

(h) An expert in the field of public health who has a background in academia;

(i) Any three of the following:

(i) A person who has professional experience conducting scientific research regarding the use of psychedelic compounds in clinical therapy;

(ii) A person who has experience in the field of mycology;

(iii) A person who has experience in the field of ethnobotany;

(iv) A person who has experience in the field of psychopharmacology; or

(v) A person who has experience in the field of harm reduction;

(j) A person designated by the liquor and cannabis board who has experience working with the cannabis central reporting system developed for tracking the transfer of cannabis items;

(k) The attorney general or the attorney general's designee; and

(l) One, two, or three at large members.

(3)(a) Members of the Washington psilocybin advisory board shall serve for a term of four years, but at the pleasure of the governor. Before the expiration of the term of a member, the governor shall appoint a successor whose term begins on January 1st of the following year. A member is eligible for reappointment. If there is a vacancy for any cause, the governor shall make an appointment to become immediately effective for the unexpired term.

(b) Members of the board described in subsection (1)(b) through (e) of this section are nonvoting ex officio members of the board.

(4) A majority of the voting members of the board constitutes a quorum. Official adoption of advice or recommendations by the Washington psilocybin advisory board requires the approval of a majority of the voting members of the board.

(5) The board shall elect one of its voting members to serve as chair.

(6) Until July 1, 2024, the Washington psilocybin advisory board shall meet at least five times a calendar year at a time and place determined by the chair or a majority of the voting members of the board. After July 1, 2024, the board shall meet at least once every calendar quarter at a time and place determined by the chair or a majority of the voting members of the board. The board may meet at other times and places specified by the call of the chair or of a majority of the voting members of the board.

(7) The Washington psilocybin advisory board may adopt rules necessary for the operation of the board.

(8) The Washington psilocybin advisory board may establish committees and subcommittees necessary for the operation of the board.

(9) The members of the Washington psilocybin advisory board may receive reimbursement or an allowance for expenses within amounts appropriated for that specific purpose consistent with RCW 43.03.220.

NEW SECTION. **Sec. 5.** (1) An interagency psilocybin work group of the department of health, the liquor and cannabis board, and the department of agriculture is created to provide advice and recommendations to the advisory board on the following:

(a) Developing a comprehensive regulatory framework for a regulated psilocybin system, including a process to ensure clean and pesticide free psilocybin products;

(b) Reviewing indigenous practices with psilocybin, clinical psilocybin trials, and findings;

(c) Reviewing research of medical evidence developed on the possible use and misuse of psilocybin therapy; and

(d) Ensuring that a social opportunity program is included within any licensing program created under this chapter to remedy the targeted enforcement of drug-related laws on overburdened communities.

(2) The findings of the psilocybin task force in section 6 of this act must be submitted to the interagency work group created in this section and to the psilocybin advisory board.

(3) The interagency psilocybin work group must submit regular updates to the psilocybin advisory board.

NEW SECTION. **Sec. 6.** (1) The health care authority must establish a psilocybin task force to provide a report on psilocybin services. The director of the health care authority or the director's designee must be a member of the task force and serve as chair. The task force must also include, without limitation, the following members:

(a) The secretary of the department of health or the secretary's designee;

(b) The director of the liquor and cannabis board or the director's designee; and

(c) As appointed by the director of the health care authority, or the director's designee:

(i) A military veteran, or representative of an organization that advocates on behalf of military veterans, with knowledge of psilocybin;

(ii) Up to two recognized indigenous practitioners with knowledge of the use of

psilocybin or other psychedelic compounds in their communities;

(iii) An individual with expertise in disability rights advocacy;

(iv) A public health practitioner;

(v) Two psychologists with knowledge of psilocybin, experience in mental and behavioral health, or experience in palliative care;

(vi) Two mental health counselors, marriage and family therapists, or social workers with knowledge of psilocybin, experience in mental and behavioral health, or experience in palliative care;

(vii) Two physicians with knowledge of psilocybin, experience in mental and behavioral health, or experience in palliative care;

(viii) A health researcher with expertise in health equity or conducting research on psilocybin;

(ix) A pharmacologist with expertise in psychopharmacology;

(x) A representative of the cannabis industry with knowledge of regulation of medical cannabis and the cannabis business in Washington;

(xi) An advocate from the LGBTQIA community with knowledge of the experience of behavioral health issues within that community;

(xii) A member of the psychedelic medicine alliance of Washington; and

(xiii) Up to two members with lived experience of utilizing psilocybin.

(2) The health care authority must convene the first meeting of the task force by June 30, 2023.

(3) The health care authority must provide a final report to the governor and appropriate committees of the legislature by December 1, 2023, in accordance with RCW 43.01.036. The health care authority may form subcommittees within the task force and adopt procedures necessary to facilitate its work.

(4) The duties of the health care authority in consultation with the task force must include, without limitation, the following activities:

(a) Reviewing the available clinical information around specific clinical indications for use of psilocybin, including what co-occurring diagnoses or medical and family histories may exclude a person from use of psilocybin. Any review of clinical information should:

(i) Discuss populations excluded from existing clinical trials;

(ii) Discuss factors considered when approval of a medical intervention is approved;

(iii) Consider the diversity of participants in clinical trials and the limitations of each study when applying learnings to the population at large; and

(iv) Identify gaps in the clinical research for the purpose of identifying opportunities for investment by the state for the University of Washington, Washington State University, or both to consider studying.

(b) Reviewing and discussing regulatory structures for clinical use of psilocybin in Washington and other jurisdictions nationally and globally. This should include discussing how various regulatory structures do or do not address concerns around public health and safety the task force has identified.

(5) The department of health, liquor and cannabis board, and department of agriculture must provide subject matter expertise and support to the task force and any subcommittee meetings. For the department of health, subject matter expertise includes an individual or individuals with knowledge and experience in rule making, the regulation of health professionals, and the regulation of health facilities.

(6) Meetings of the task force under this section must be open to participation by members of the public.

(7) Task force members participating on behalf of an employer, governmental entity, or other organization are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(8) It is the legislature's intent that the provisions of this section supersede section 211(99), chapter 297, Laws of 2022.

(9) This section expires June 30, 2024.

NEW SECTION. **Sec. 7.** (1) The duties, functions, and powers of the department of health specified in this chapter include the following:

(a) To examine, publish, and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions including, but not limited to, addiction, depression, anxiety disorders, and end-of-life psychological distress, and the potential for psilocybin to promote community, address trauma, and enhance physical and mental wellness;

(b) To adopt, amend, or repeal rules necessary to carry out the intent and provisions of this chapter, including rules that the department of health considers necessary to protect the public health and safety;

(c) To exercise all powers incidental, convenient, or necessary to enable the department of health to administer or carry out this chapter or any other law of this state that charges the department of health with a duty, function, or power related to psilocybin products and psilocybin services. Powers described in this subsection include, but are not limited to:

(i) Issuing subpoenas;

(ii) Compelling the attendance of witnesses;

(iii) Administering oaths;

(iv) Certifying official acts;

(v) Taking depositions as provided by law; and

(vi) Compelling the production of books, payrolls, accounts, papers, records, documents, and testimony.

(2) The jurisdiction, supervision, duties, functions, and powers held by the

department of health under this section are not shared by the pharmacy quality assurance commission under chapter 18.64 RCW.

NEW SECTION. **Sec. 8.** (1) Subject to amounts appropriated for this purpose, the psilocybin therapy services pilot program is established within, and administered by, the University of Washington department of psychiatry and behavioral sciences. No later than January 1, 2025, the University of Washington department of psychiatry and behavioral sciences must implement this section.

(2) The pilot program must:

(a) Offer psilocybin therapy services through pathways approved by the federal food and drug administration, to populations including first responders and veterans who are:

(i) 21 years of age or older; and

(ii) Experiencing posttraumatic stress disorder, mood disorders, or substance use disorders;

(b) Offer psilocybin therapy services facilitated by:

(i) An advanced social worker, independent clinical social worker, or mental health counselor licensed under chapter 18.225 RCW;

(ii) A physician licensed under chapter 18.71 RCW; or

(iii) A psychiatric advanced registered nurse practitioner licensed under chapter 18.79 RCW as defined in RCW 71.05.020;

(c) Ensure psilocybin therapy services are safe, accessible, and affordable;

(d) Require an initial assessment to understand participant goals and expectations, and assess the participant's history for any concerns that require further intervention or information before receiving psilocybin therapy services, and an integration session after receiving psilocybin therapy services; and

(e) Use outreach and engagement strategies to include participants from communities or demographic groups that are more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, or geographic location.

NEW SECTION. **Sec. 9.** Medical professionals licensed by the state of Washington shall not be subject to adverse licensing action for recommending psilocybin therapy services.

NEW SECTION. **Sec. 10.** (1) The liquor and cannabis board shall assist and cooperate with the department of health and the department of agriculture to the extent necessary to carry out their duties under this chapter.

(2) The department of agriculture shall assist and cooperate with the department of health to the extent necessary for the department of health to carry out the duties under this chapter.

NEW SECTION. **Sec. 11.** The department of health, the department of agriculture, and the liquor and cannabis board may not refuse to perform any duty under this chapter on the basis that manufacturing, distributing, dispensing, possessing, or using psilocybin products is prohibited by federal law.

NEW SECTION. **Sec. 12.** 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. 13.** Sections 1 through 5 and 7 through 11 of this act constitute a new chapter in Title 18 RCW.

NEW SECTION. **Sec. 14.** Sections 4 through 6 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Bronoske; Davis; Graham; Macri; Maycumber; Orwall; Simmons; Stonier; Thai and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representative Harris.

MINORITY recommendation: Without recommendation. Signed by Representatives Hutchins, Assistant Ranking Minority Member; Barnard; and Mosbrucker.

Referred to Committee on Appropriations

March 28, 2023

ESSB 5267 Prime Sponsor, Labor & Commerce: Safeguarding the public safety by protecting railroad workers. Reported by Committee on Labor & Workplace Standards

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that railroad employees are susceptible to illness and infectious diseases from working in confined spaces, as well as the illnesses and injuries that affect the general population, yet have no protections for unpaid leave, and may be subjected to discipline and termination for unpaid absences from duty due to illnesses and injuries of themselves and their family members.

The legislature further finds that railroad employees may report to work while ill to avoid disciplinary action by railroad companies, pursuant to their corporate attendance and availability policies.

Furthermore, the legislature finds that the unique operational practices utilized to summon railroad crew employees to duty necessitate state protections for short-term unpaid absences by railroad workers. The job

security protections extended by this act for unpaid leave are minimal in contrast to the greater rights and benefits of most employees in this state.

Therefore, the legislature enacts this chapter in the interest of public health and infectious disease control, for protection of public safety, the prevention of environmental harm, and to reduce railroad operational risks across the state.

The provisions of this chapter are enacted in the exercise of the police power of the state for the purpose of protecting the immediate and future health, safety, and welfare of the people of this state.

NEW SECTION. **Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) The following terms have the same meaning as provided in RCW 50A.05.010: "Child," "family leave," "family member," "health care provider," "medical leave," "period of incapacity," "serious health condition," and "spouse."

(2) "Department" means the department of labor and industries.

(3) "Director" means the director of the department of labor and industries, or the director's authorized representative.

(4) "Employee" means a person who has been employed by a railroad carrier.

(5) "Employer" means any person, firm, corporation, partnership, business trust, legal representative, or other business entity, including any unit of local government including, but not limited to, a county, city, town, municipal corporation, quasi-municipal corporation, or political subdivision, which engages in business as a railroad carrier.

(6) "Employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions except benefits that are provided by a practice or written policy of an employer or through an employee benefit plan as defined in 29 U.S.C. Sec. 1002(3).

(7) "Intermittent leave" is leave taken in separate blocks of time due to a single qualifying reason.

(8) "Operating craft employee" means any employee of a railroad carrier who performs service in an operating craft on a railroad or directs the work of an operating craft employee as a scheduled employee, and includes any other employee of a railroad carrier who performs safety sensitive tasks associated with railroad operations.

(9) "Other railroad carrier" means a railroad company that is designated as a class III carrier by the surface transportation board and:

(a) Is not owned or operated in whole or part by, or as a subsidiary of, any class I or class II carrier; or

(b) Is not owned, operated, and managed directly by a governmental entity employing 25 or more railroad employees; or

(c) Is not owned or operated by a railroad holding company with annual combined operating revenue from all railroad sources that meets or exceeds the current class II railroad designation threshold as determined by the surface transportation board.

(10) "Railroad carrier" means any employer subject to the jurisdiction of the surface transportation board under 49 U.S.C. Sec. 1301 through 1326, as it exists on the effective date of this section. "Railroad carrier" includes the officers and agents of the railroad operations regardless of physical location. "Railroad carrier" does not include other railroad carriers.

(11) "Unpaid" means a period of leave undertaken without receiving payment of lost wages from an employing railroad company.

NEW SECTION. **Sec. 3.** The department shall administer the provisions of this chapter.

NEW SECTION. **Sec. 4.** (1) No railroad carrier may dismiss, suspend, lay off, demote, engage in any adverse action against, or otherwise discipline an employee for unpaid absences pursuant to the provisions of this section if:

(a) The employee has completed three consecutive months of continuous employment by the railroad carrier prior to the absence;

(b) No consecutive period of unpaid absence pursuant to the provisions of this section exceeds 15 days;

(c) The total number of unpaid absences the employee has taken pursuant to the provisions of this section, including railroad employer paid sick leave, is less than 91 days in the current calendar year; and

(d) The unpaid absence is taken pursuant to subsection (2) of this section.

(2) An employee's unpaid absence under this section is due to any of the following reasons:

(a) An absence resulting from an employee's mental or physical illness, injury, or health condition including fatigue; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;

(b) To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care; and

(c) When the employee or their spouse or registered domestic partner's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason.

(3) An employer may permit employees to use any accrued leave, including vacation time or personal leave, while absent pursuant to the provisions of this section. An employer may not require an employee to

use paid leave while absent pursuant to the provisions of this section.

(4) For employee absences under this section exceeding five consecutive days, the employer may, within 10 days of the employee's return to work, request verification that the employee's unpaid absence was for a specific purpose pursuant to this section.

(a) If verification is requested by an employer, the employer must provide the employee no fewer than 30 days to obtain and provide any requested verification. An employer's requirements for verification may not result in an unreasonable burden or expense on the employee and may not exceed privacy or verification requirements otherwise established by law.

(b) If an employer requires an employee to provide verification from a health care provider identifying the need for use of their unpaid leave for a specific purpose pursuant to this section, the employer must not require that the information provided explain the nature of the condition. If the employer obtains any health information about an employee or an employee's family member, the employer must treat such information in a confidential manner consistent with applicable privacy laws.

(5) Any employee absences pursuant to this section are not subject to any type of carrier availability or attendance policy and are separate from any protected leave under Title 50A RCW.

NEW SECTION. **Sec. 5.** (1) It is unlawful for any employer to:

(a) Interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right provided under this chapter; or

(b) Discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this chapter.

(2) It is unlawful for any person to discharge or in any other manner discriminate against any individual because the individual has:

(a) Filed any complaint or charge, or has instituted or caused to be instituted any proceeding, under or related to this chapter;

(b) Given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this chapter; or

(c) Testified, or is about to testify, in any inquiry or proceeding relating to any right provided under this chapter.

NEW SECTION. **Sec. 6.** (1)(a) Upon receipt of a complaint by an employee of a railroad carrier, the department shall investigate to determine if there has been noncompliance with this chapter and related rules and issue either a citation and notice of assessment or a closure letter within 90 days after the date on which the department received the complaint, unless the complaint is otherwise resolved. The department may extend the period by providing advance written notice to the employee and the employer setting forth good cause for an extension of the period, and specifying the duration of the extension.

(b) The department shall send the citation and notice of assessment or the closure letter to both the employer and the employee by service of process or using a method by which the mailing can be tracked or the delivery can be confirmed to their last known addresses.

(c) If the department's investigation finds that the employee's allegation cannot be substantiated, the department shall issue a closure letter to the employee and the employer detailing such finding.

(2)(a) If the department's investigation finds that a railroad carrier violated this chapter or related rules, the department may order the employer to pay the department a civil penalty. Civil penalties may be assessed as follows:

(i) For a class I carrier, any class II carrier owned by a class I carrier, and any class III carrier subject to this chapter, up to $5,000 for the first violation, up to $25,000 for the second violation within a three-year period following any previous violation, and up to $100,000 for the third or subsequent violation within a three-year period following any previous violation;

(ii) For a class II carrier, up to $1,000 for the first violation, up to $5,000 for the second violation within a three-year period following any previous violation, and up to $10,000 for the third or subsequent violation within a three-year period following any previous violation.

(b) The department may, at any time, waive or reduce any civil penalty assessed against an employer under this section if the department determines that the employer has taken corrective action to remedy the retaliatory action.

(3) The director may also order other remedies such as back pay and reinstatement, and may increase the fines by rule based on changing economic conditions.

(4) The department shall deposit civil penalties paid under this section in the supplemental pension fund established under RCW 51.44.033.

(5)(a) The administrative remedies established in this chapter apply to complaints alleging violations that occurred on or after the effective date of this act.

(b) A complaint alleging a violation of this chapter may be filed within two years from the date of the last event constituting a violation.

NEW SECTION. **Sec. 7.** (1) A person, firm, or corporation aggrieved by a citation and notice of assessment by the department under this chapter, or any rules adopted under this chapter, may appeal the citation and notice of assessment to the director by filing a notice of appeal with the director within 30 days of the department's issuance of the citation and notice of assessment. A citation and notice of assessment not appealed within 30 days is final and binding, and not subject to further appeal.

(2) A notice of appeal filed with the director under this section shall stay the effectiveness of the citation and notice of assessment pending final review of the

appeal by the director as provided for in chapter 34.05 RCW.

(3) Upon receipt of a notice of appeal, the director shall assign the hearing to an administrative law judge of the office of administrative hearings to conduct the hearing and issue an initial order. The hearing and review procedures shall be conducted in accordance with chapter 34.05 RCW, and the standard of review by the administrative law judge of an appealed citation and notice of assessment shall be de novo. Any party who seeks to challenge an initial order shall file a petition for administrative review with the director within 30 days after service of the initial order. The director shall conduct an administrative review in accordance with chapter 34.05 RCW.

(4) The director shall issue all final orders after appeal of the initial order. The final order of the director is subject to judicial review in accordance with chapter 34.05 RCW.

(5) Orders that are not appealed within the time period specified in this section and chapter 34.05 RCW are final and binding, and not subject to further appeal.

(6) An employer who fails to allow adequate inspection of records in an investigation by the department under this chapter within a reasonable time period may not use such records in any appeal under this section to challenge the correctness of any determination by the department of the penalty assessed.

NEW SECTION. **Sec. 8.** If any person fails to pay an assessment under this chapter, or under any rule under this chapter, after it has become a final and unappealable order, or after the court has entered final judgment in favor of the agency, the director may initiate collection procedures in accordance with section 9 of this act.

NEW SECTION. **Sec. 9.** (1) After a final order is issued under this chapter, or any rules under this chapter, if an employer defaults in the payment of: (a) Any amount determined by the department to be owed to an employee, including interest; or (b) any civil penalty ordered by the department under this chapter, or any rules under this chapter, the director may file with the clerk of any county within the state a warrant in the amount of the payment plus any filing fees. The clerk of the county in which the warrant is filed shall immediately designate a superior court cause number for the warrant, and the clerk shall cause to be entered in the judgment docket under the superior court cause number assigned to the warrant, the name of the employer mentioned in the warrant, the amount of payment due on it plus any filing fees, and the date when the warrant was filed. The aggregate amount of the warrant as docketed becomes a lien upon the title to, and interest in, all real and personal property of the employer against whom the warrant is issued, the same as a judgment in a civil case docketed in the office of the clerk. The sheriff shall proceed upon the warrant in all respects and with like effect as prescribed by law with respect to execution or other process issued against rights or property upon judgment in a court of competent jurisdiction. The warrant so docketed is sufficient to support the issuance of writs of garnishment in favor of the state in a manner provided by law in case of judgment, wholly or partially unsatisfied. The clerk of the court is entitled to a filing fee which shall be added to the amount of the warrant. A copy of the warrant shall be mailed to the employer within three days of filing with the clerk.

(2)(a) The director may issue to any person, firm, corporation, other entity, municipal corporation, political subdivision of the state, a public corporation, or any agency of the state, a notice and order to withhold and deliver property of any kind when they have reason to believe that there is in the possession of the person, firm, corporation, other entity, municipal corporation, political subdivision of the state, public corporation, or agency of the state, property that is or will become due, owing, or belonging to an employer upon whom a notice of assessment has been served by the department for payments or civil penalties due to the department. The effect of a notice and order is continuous from the date the notice and order is first made until the liability out of which the notice and order arose is satisfied or becomes unenforceable because of lapse of time. The department shall release the notice and order when the liability out of which the notice and order arose is satisfied or becomes unenforceable by reason of lapse of time and shall notify the person against whom the notice and order was made that the notice and order has been released.

(b) The notice and order to withhold and deliver must be served by the sheriff of the county or by the sheriff's deputy, by certified mail, return receipt requested, or by the director. A person, firm, corporation, other entity, municipal corporation, political subdivision of the state, public corporation, or agency of the state upon whom service has been made shall answer the notice within 20 days exclusive of the day of service, under oath and in writing, and shall make true answers to the matters inquired of in the notice and order. Upon service of the notice and order, if the party served possesses any property that may be subject to the claim of the department, the party shall promptly deliver the property to the director. The director shall hold the property in trust for application on the employer's indebtedness to the department, or for return without interest, in accordance with a final determination of a petition for review. In the alternative, the party shall furnish a good and sufficient surety bond satisfactory to the director conditioned upon final determination of liability. If a party served and named in the notice fails to answer the notice within the time prescribed in this section, the court may render judgment by default against the party for the full amount claimed by the director in the notice, together with costs. If a notice is served upon an employer and the property

subject to the notice is wages, the employer may assert in the answer all exemptions provided for by chapter 6.27 RCW to which the wage earner is entitled.

(c) As an alternative to the methods of service described in this section, the department may electronically serve a financial institution with a notice and order to withhold and deliver by providing a list of its outstanding warrants, except those for which a payment agreement is in good standing, to the department of revenue. The department of revenue may include the warrants provided by the department in a notice and order to withhold and deliver served under RCW 82.32.235(3). A financial institution that is served with a notice and order to withhold and deliver under this subsection (2)(c) must answer the notice within the time period applicable to service under RCW 82.32.235(3). The department and the department of revenue may adopt rules to implement this subsection (2)(c).

(3) In addition to the procedure for collection of amounts owed, including interest, and civil penalties as set forth in this section, the department may recover amounts owed, including interest, and civil penalties assessed under this chapter, and any rules under this chapter, in a civil action brought in a court of competent jurisdiction of the county where the violation is alleged to have occurred.

(4) Whenever any employer quits business, sells out, exchanges, or otherwise disposes of the employer's business or stock of goods, any person who becomes a successor to the business becomes liable for the full amount of any outstanding citation and notice of assessment or penalty against the employer's business under this chapter if, at the time of the conveyance of the business, the successor has: (a) Actual knowledge of the fact and amount of the outstanding citation and notice of assessment; or (b) a prompt, reasonable, and effective means of accessing and verifying the fact and amount of the outstanding citation and notice of assessment from the department. If the citation and notice of assessment or penalty is not paid in full by the employer within 10 days of the date of the sale, exchange, or disposal, the successor is liable for the payment of the full amount of the citation and notice of assessment or penalty, and payment thereof by the successor must, to the extent thereof, be deemed a payment upon the purchase price. If the payment is greater in amount than the purchase price, the amount of the difference becomes a debt due to the successor from the employer.

(5) This section does not affect other collection remedies that are otherwise provided by law.

NEW SECTION. **Sec. 10.** Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the director, setting forth excerpts from, or summaries of, the pertinent provisions of this chapter and information pertaining to the filing of a charge. Any employer that willfully violates this section may be subject to a civil penalty of not more than $1,000 for each separate offense. Any penalties collected by the department under this section shall be deposited into the supplemental pension fund established under RCW 51.44.033.

NEW SECTION. **Sec. 11.** Nothing in this chapter shall be construed:

(1) To modify or affect any state or local law prohibiting discrimination on the basis of race, religion, color, national origin, sex, sexual orientation, gender identity, age, or disability; or

(2) To supersede any provision of any local law that provides greater family or medical leave rights than the rights established under this chapter.

NEW SECTION. **Sec. 12.** Nothing in this chapter diminishes the obligation of an employer to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater family or medical leave rights to employees than the rights established under this chapter. The rights established for employees under this chapter may not be diminished by any collective bargaining agreement or any employment benefit program or plan.

NEW SECTION. **Sec. 13.** Nothing in this chapter shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this chapter.

NEW SECTION. **Sec. 14.** The director may adopt rules as necessary to implement this chapter.

NEW SECTION. **Sec. 15.** This act may be known and cited as the Shahraim C. Allen safe leave act for Washington railroad workers.

NEW SECTION. **Sec. 16.** 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. 17.** Sections 1 through 15 of this act constitute a new chapter in Title 49 RCW.

NEW SECTION. **Sec. 18.** Except for sections 6 through 10 of this act, which take effect January 1, 2024, 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."

Correct the title.

Signed by Representatives Berry, Chair; Fosse, Vice Chair; Bronoske; Doglio; Ormsby and Ortiz-Self.

MINORITY recommendation: Do not pass. Signed by Representatives Robertson, Ranking Minority Member; Schmidt, Assistant Ranking Minority Member; and Connors.

Referred to Committee on Rules for second reading

March 28, 2023

SSB 5300 Prime Sponsor, Health & Long Term Care: Concerning continuity of coverage for prescription drugs prescribed for the treatment of behavioral health conditions. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 48.43 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, for health plans that include prescription drug coverage issued or renewed on or after January 1, 2025, a health carrier or its health care benefit manager may not require the substitution of a nonpreferred drug with a preferred drug in a given therapeutic class, or increase an enrollee's cost-sharing obligation mid-plan year for the drug, if the prescription is for a refill of an antipsychotic, antidepressant, antiepileptic, or other drug prescribed to the enrollee to treat a serious mental illness, the enrollee is medically stable on the drug, and a participating provider continues to prescribe the drug.

(2) Nothing in this section prohibits:

(a) The carrier from requiring generic substitution during the current plan year;

(b) The carrier from adding new drugs to its formulary during the current plan year;

(c) The carrier from removing a drug from its formulary for reasons of patient safety concerns, drug recall or removal from the market, or medical evidence indicating no therapeutic effect of the drug; or

(d) A participating provider from prescribing a different drug that is covered by the plan and medically appropriate for the enrollee.

(3) For the purposes of this section:

(a) "Refill" means a second or subsequent filling of a previously issued prescription.

(b) "Serious mental illness" means a mental disorder, as defined in the most recent edition of the diagnostic and statistical manual of mental disorders published by the American psychiatric association, that results in serious functional impairment that substantially interferes with or limits one or more major life activities.

**Sec. 2.** RCW 69.41.190 and 2011 1st sp.s. c 15 s 80 are each amended to read as follows:

(1)(a) Except as provided in subsection (2) of this section, any pharmacist filling a prescription under a state purchased health care program as defined in RCW 41.05.011((~~(2)~~)) shall substitute, where identified, a preferred drug for any nonpreferred drug in a given therapeutic class, unless the endorsing practitioner has indicated on the prescription that the nonpreferred drug must be dispensed as written, or the prescription is for a refill of an antipsychotic, antidepressant, antiepileptic, or other drug prescribed to the patient to treat a serious mental illness, chemotherapy, antiretroviral, or immunosuppressive drug, or for the refill of a immunomodulator/antiviral treatment for hepatitis C for which an established, fixed duration of therapy is prescribed for at least ((~~twenty-four~~))24 weeks but no more than ((~~forty-eight~~))48 weeks, in which case the pharmacist shall dispense the prescribed nonpreferred drug.

(b) When a substitution is made under (a) of this subsection, the dispensing pharmacist shall notify the prescribing practitioner of the specific drug and dose dispensed.

(2)(a) A state purchased health care program may impose limited restrictions on an endorsing practitioner's authority to write a prescription to dispense as written only under the following circumstances:

(i) There is statistical or clear data demonstrating the endorsing practitioner's frequency of prescribing dispensed as written for nonpreferred drugs varies significantly from the prescribing patterns of his or her peers;

(ii) The medical director of a state purchased health program has: (A) Presented the endorsing practitioner with data that indicates the endorsing practitioner's prescribing patterns vary significantly from his or her peers, (B) provided the endorsing practitioner an opportunity to explain the variation in his or her prescribing patterns to those of his or her peers, and (C) if the variation in prescribing patterns cannot be explained, provided the endorsing practitioner sufficient time to change his or her prescribing patterns to align with those of his or her peers; and

(iii) The restrictions imposed under (a) of this subsection (2) must be limited to the extent possible to reduce variation in prescribing patterns and shall remain in effect only until such time as the endorsing practitioner can demonstrate a reduction in variation in line with his or her peers.

(b) A state purchased health care program may immediately designate an available, less expensive, equally effective generic product in a previously reviewed drug class as a preferred drug, without first submitting the product to review by the pharmacy and therapeutics committee established pursuant to RCW 70.14.050.

(c) For a patient's first course of treatment within a therapeutic class of drugs, a state purchased health care program may impose limited restrictions on endorsing practitioners' authority to write a prescription to dispense as written, only under the following circumstances:

(i) There is a less expensive, equally effective therapeutic alternative generic product available to treat the condition;

(ii) The drug use review board established under WAC 388-530-4000 reviews and provides recommendations as to the appropriateness of the limitation;

(iii) Notwithstanding the limitation set forth in (c)(ii) of this subsection (2), the endorsing practitioner shall have an opportunity to request as medically necessary, that the brand name drug be prescribed as the first course of treatment;

(iv) The state purchased health care program may provide, where available, prescription, emergency room, diagnosis, and hospitalization history with the endorsing practitioner; and

(v) Specifically for antipsychotic restrictions, the state purchased health care program shall effectively guide good practice without interfering with the timeliness of clinical decision making. Health care authority prior authorization programs must provide for responses within ((~~twenty-four~~))24 hours and at least a ((~~seventy-two~~))72 hour emergency supply of the requested drug.

(d) If, within a therapeutic class, there is an equally effective therapeutic alternative over-the-counter drug available, a state purchased health care program may designate the over-the-counter drug as the preferred drug.

(e) A state purchased health care program may impose limited restrictions on endorsing practitioners' authority to prescribe pharmaceuticals to be dispensed as written for a purpose outside the scope of their approved labels only under the following circumstances:

(i) There is a less expensive, equally effective on-label product available to treat the condition;

(ii) The drug use review board established under WAC 388-530-4000 reviews and provides recommendations as to the appropriateness of the limitation; and

(iii) Notwithstanding the limitation set forth in (e)(ii) of this subsection (2), the endorsing practitioner shall have an opportunity to request as medically necessary, that the drug be prescribed for a covered off-label purpose.

(f) The provisions of this subsection related to the definition of medically necessary, prior authorization procedures and patient appeal rights shall be implemented in a manner consistent with applicable federal and state law.

(3) Notwithstanding the limitations in subsection (2) of this section, for refills for an antipsychotic, antidepressant, antiepileptic, or other drug prescribed to the patient to treat a serious mental illness, chemotherapy, antiretroviral, or immunosuppressive drug, or for the refill of an immunomodulator antiviral treatment for hepatitis C for which an established, fixed duration of therapy is prescribed for at least ((~~twenty-four~~))24 weeks by no more than ((~~forty-eight~~))48 weeks, the pharmacist shall dispense the prescribed nonpreferred drug.

(4) For the purposes of this section, "serious mental illness" means a mental disorder, as defined in the most recent edition of the diagnostic and statistical manual of mental disorders published by the American psychiatric association, that results in serious functional impairment that substantially interferes with or limits one or more major life activities.

NEW SECTION. **Sec. 3.** Section 2 of this act takes effect January 1, 2025."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Barnard; Bronoske; Davis; Graham; Harris; Macri; Maycumber; Mosbrucker; Orwall; Simmons; Stonier; Thai and Tharinger.

Referred to Committee on Rules for second reading

March 28, 2023

ESB 5352 Prime Sponsor, Senator Lovick: Concerning vehicular pursuits. Reported by Committee on Community Safety, Justice, & Reentry

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 10.116.060 and 2021 c 320 s 7 are each amended to read as follows:

(1) A peace officer may not engage in a vehicular pursuit, unless:

(a)((~~(i)~~)) There is ((~~probable cause~~))reasonable suspicion to believe that a person in the vehicle has committed or is committing ((~~a~~)):

(i) A violent offense ((~~or~~))as defined in RCW 9.94A.030;

(ii) A sex offense as defined in RCW 9.94A.030((~~, or an~~));

(iii) A vehicular assault offense under RCW 46.61.522;

(iv) An assault in the first, second, third, or fourth degree offense under chapter 9A.36 RCW only if the assault involves domestic violence as defined in RCW 10.99.020;

(v) An escape under chapter 9A.76 RCW; or

((~~(ii) There is reasonable suspicion a person in the vehicle has committed or is committing a~~))(vi) A driving under the influence offense under RCW 46.61.502;

(b) The pursuit is necessary for the purpose of identifying or apprehending the person;

(c) The person poses ((~~an imminent threat to the safety of~~))a serious risk of harm to others and the safety risks of failing to apprehend or identify the person are considered to be greater than the safety risks of the vehicular pursuit under the circumstances; and

(d)(i) Except as provided in (d)(ii) of this subsection, the ((~~officer has received authorization to engage in the pursuit from~~))pursuing officer notifies a supervising officer ((~~and~~))immediately upon initiating the vehicular pursuit; there is supervisory ((~~control~~))oversight of the pursuit((~~. The~~)); and the pursuing officer, in consultation with the supervising officer

((~~must consider~~)), considers alternatives to the vehicular pursuit((~~. The supervisor must consider~~)), the justification for the vehicular pursuit and other safety considerations, including but not limited to speed, weather, traffic, road conditions, and the known presence of minors in the vehicle((~~, and the vehicular pursuit must be terminated if any of the requirements of this subsection are not met~~));

(ii) For those jurisdictions with fewer than ((~~10~~))15 commissioned officers, if a supervisor is not on duty at the time, the pursuing officer ((~~will request~~))requests the on-call supervisor be notified of the pursuit according to the agency's procedures((~~. The~~)), and the pursuing officer ((~~must consider~~))considers alternatives to the vehicular pursuit, the justification for the vehicular pursuit, and other safety considerations, including but not limited to speed, weather, traffic, road conditions, and the known presence of minors in the vehicle. ((~~The officer must terminate the vehicular pursuit if any of the requirements of this subsection are not met.~~))

(2) ((~~A pursuing~~))In any vehicular pursuit under this section:

(a) The pursuing officer and the supervising officer, if applicable, shall comply with any agency procedures for designating the primary pursuit vehicle and determining the appropriate number of vehicles permitted to participate in the vehicular pursuit ((~~and comply~~));

(b) The supervising officer, the pursuing officer, or dispatcher shall notify other law enforcement agencies or surrounding jurisdictions that may be impacted by the vehicular pursuit or called upon to assist with the vehicular pursuit, and the pursuing officer and the supervising officer, if applicable, shall comply with any agency procedures for coordinating operations with other jurisdictions, including available tribal police departments when applicable;

(c) The pursuing officer must be able to directly communicate with other officers engaging in the pursuit, the supervising officer, if applicable, and the dispatch agency, such as being on a common radio channel or having other direct means of communication;

(d) As soon as practicable after initiating a vehicular pursuit, the pursuing officer, supervising officer, if applicable, or responsible agency shall develop a plan to end the pursuit through the use of available pursuit intervention options, such as the use of the pursuit intervention technique, deployment of spike strips or other tire deflation devices, or other department authorized pursuit intervention tactics; and

(e) The pursuing officer must have completed an emergency vehicle operator's course, must have completed updated emergency vehicle operator training in the previous two years, where applicable, and must be certified in at least one pursuit intervention option. Emergency vehicle operator training must include training on performing the risk assessment analysis described in subsection (1)(c) of this section.

(3) A vehicle pursuit not meeting the requirements under this section must be terminated.

((~~(3)~~))(4) A peace officer may not fire a weapon upon a moving vehicle unless necessary to protect against an imminent threat of serious physical harm resulting from the operator's or a passenger's use of a deadly weapon. For the purposes of this subsection, a vehicle is not considered a deadly weapon unless the operator is using the vehicle as a deadly weapon and no other reasonable means to avoid potential serious harm are immediately available to the officer.

((~~(4)~~))(5) For purposes of this section, "vehicular pursuit" means an attempt by a uniformed peace officer in a vehicle equipped with emergency lights and a siren to stop a moving vehicle where the operator of the moving vehicle appears to be aware that the officer is signaling the operator to stop the vehicle and the operator of the moving vehicle appears to be willfully resisting or ignoring the officer's attempt to stop the vehicle by increasing vehicle speed, making evasive maneuvers, or operating the vehicle in a reckless manner that endangers the safety of the community or the officer.

NEW SECTION. **Sec. 2.** 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."

Correct the title.

Signed by Representatives Goodman, Chair; Simmons, Vice Chair; Mosbrucker, Ranking Minority Member; Griffey, Assistant Ranking Minority Member; Davis; Fosse and Ramos.

MINORITY recommendation: Do not pass. Signed by Representative Farivar.

MINORITY recommendation: Without recommendation. Signed by Representative Graham.

Referred to Committee on Rules for second reading

March 28, 2023

ESB 5355 Prime Sponsor, Senator Wilson, C.: Mandating instruction on sex trafficking prevention and identification for students in grades seven through 12. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature recognizes that:

(1) The United States has the second largest concentration of past and current trafficking victims, and Washington state is currently the sixth largest epicenter of sex trafficking in the United States.

(2) More than 45 percent of all sex trafficking victims are minors and attending our nation's schools every day.

(3) Currently, most trafficking avoids detection, with one study from the national institute of justice finding that "fewer than half of all suspected traffickers in the United States had been arrested." Recent national institute of justice supported research reveals that labor and sex trafficking data appearing in the federal bureau of investigation's national uniform crime reporting program may significantly understate the extent of trafficking crimes in the United States.

(4) The undefined nature of human trafficking contributes to widespread ignorance for public agencies in a position to address the crime. Sixty percent of state and local prosecutors nationwide "do not consider trafficking a problem in their jurisdictions," and over 70 percent of local, state, and county law enforcement agencies wrongly "view human trafficking as rare or nonexistent" in their local communities.

(5) Nearly half of prosecutors and law enforcement agencies across the country are unaware of specific existing antitrafficking laws or definitions that constitute acts of human trafficking, which manifests in current ineffective mitigation strategies.

(6) Child sex trafficking survivors are disproportionately girls of color. In King county, 52 percent of all child sex trafficking victims are black and 84 percent of youth victims are female, while black girls comprise 1.1 percent of the population.

(7) Sex traffickers are not overgeneralized to any demographic but are disproportionately white men. In King county, 80 percent of sex traffickers are white men.

(8) Females of color bear the brunt of prostitution imprisonment as a result of sexual violence in sex trafficking due to mandatory arrests. For example, Latinx women account for nearly 61 percent of juvenile prostitution arrests. By contrast, sex traffickers face little to no consequences for their role in exploitation.

(9) Twenty-five service agencies participated in a 2007 survey. Nineteen of these agencies provided information that aligned with what are understood to be "red-flag" indicators of trafficking situations. Victimization and human trafficking are considerable concerns for eastern Washington, particularly Spokane, and there is a wide spectrum of trafficking activities that include sex slavery, forced prostitution, forced panhandling, farm labor, janitorial work, and domestic servitude.

(10) On any given day, between 300 and 500 people, some as young as 11 years old, are trafficked in the Puget Sound area for labor or sex.

(11) Intersectional, accurate, and actionable sex trafficking education is necessary to enable all students to break down stereotypes of affected parties in sex trafficking and provide them with tools for identifying and combatting this crime.

NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.320 RCW to read as follows:

(1) Beginning no later than the 2025-26 school year, school districts must offer instruction in sex trafficking awareness and prevention at least once to each student in grades seven through 12. The instruction, at the discretion of the school or school district, may be integrated into a relevant course or a course may be repurposed to include the instruction.

(2) Subject to the availability of amounts appropriated for this specific purpose, on or before June 30, 2024, the office of the superintendent of public instruction must review curricula related to the awareness and prevention of sex trafficking.

(3) To the extent practicable, the office of the superintendent of public instruction must make available in the library of openly licensed courseware under RCW 28A.300.803, curricular resources related to the awareness and prevention of sex trafficking that include:

(a) Information about the race, gender, and socioeconomic status of sex trafficking victims and perpetrators;

(b) Medically and legally accurate definitions of sex trafficking, and information about term stigmatization and how it may reduce reporting and increase the difficulty of detecting and prosecuting sex trafficking crimes;

(c) Information about reporting systems and community engagement opportunities with local, state, or national organizations against sex trafficking, and basic identification training to determine if an individual is at risk of or has been sex trafficked; and

(d) Information to help students recognize the signs and behavior changes in others that may indicate grooming for sex trafficking or other unlawful, coercive relationships.

(4) This section governs school operation and management under RCW 28A.710.040 and 28A.715.020, and applies to charter schools established under chapter 28A.710 RCW and state-tribal education compact schools established under chapter 28A.715 RCW to the same extent as it applies to school districts.

NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.300 RCW to read as follows:

The child sexual abuse and sex trafficking prevention and identification public-private partnership account is created in the custody of the state treasurer. All receipts from gifts, grants, or endowments from public or private sources, federal funds, and any appropriations made by the legislature or other sources must be deposited into the account. Expenditures from the account may be used only for curriculum and professional development to support instruction on child sexual abuse and sex trafficking prevention and identification. Only the superintendent of public instruction or the superintendent'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."

Correct the title.

Signed by Representatives Santos, Chair; Shavers, Vice Chair; Rude, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bergquist; Callan; Eslick; Harris; Ortiz-Self; Pollet; Sandlin; Stonier and Timmons.

MINORITY recommendation: Without recommendation. Signed by Representatives McClintock; and Steele.

Referred to Committee on Appropriations

March 28, 2023

SB 5363 Prime Sponsor, Senator MacEwen: Concerning cannabis retailer advertising. Reported by Committee on Regulated Substances & Gaming

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 69.50.369 and 2022 c 16 s 75 are each amended to read as follows:

(1) ((~~No~~))Except as provided in subsection (11) of this section and consistent with RCW 69.50.331(8)(b), no licensed cannabis producer, processor, researcher, or retailer may place or maintain, or cause to be placed or maintained, any sign or other advertisement for a cannabis business or cannabis product, including useable cannabis, cannabis concentrates, or cannabis-infused product, in any form or through any medium whatsoever within one thousand feet of the perimeter of a school grounds, playground, recreation center or facility, child care center, public park, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.

(2) Except for the use of billboards as authorized under this section, licensed cannabis retailers may not display any signage outside of the licensed premises, other than two signs identifying the retail outlet by the licensee's business or trade name, stating the location of the business, and identifying the nature of the business. Each sign must be ((~~no larger than one thousand six hundred square inches and be~~)) permanently affixed to a building or other structure. The location and content of the retail cannabis signs authorized under this subsection are subject to all other requirements and restrictions established in this section for indoor signs, outdoor signs, and other cannabis-related advertising methods.

(3) A cannabis licensee may not utilize transit advertisements for the purpose of advertising its business or product line. "Transit advertisements" means advertising on or within private or public vehicles and all advertisements placed at, on, or within any bus stop, taxi stand, transportation waiting area, train station, airport, or any similar transit-related location.

(4) A cannabis licensee may not engage in advertising or other marketing practice that specifically targets persons residing outside of the state of Washington.

(5) All signs, billboards, or other print advertising for cannabis businesses or cannabis products must contain text stating that cannabis products may be purchased or possessed only by persons twenty-one years of age or older.

(6) A cannabis licensee may not:

(a) Take any action, directly or indirectly, to target youth in the advertising, promotion, or marketing of cannabis and cannabis products, or take any action the primary purpose of which is to initiate, maintain, or increase the incidence of youth use of cannabis or cannabis products;

(b) Use objects such as toys or inflatables, movie or cartoon characters, or any other depiction or image likely to be appealing to youth, where such objects, images, or depictions indicate an intent to cause youth to become interested in the purchase or consumption of cannabis products; or

(c) Use or employ a commercial mascot outside of, and in proximity to, a licensed cannabis business. A "commercial mascot" means live human being, animal, or mechanical device used for attracting the attention of motorists and passersby so as to make them aware of cannabis products or the presence of a cannabis business. Commercial mascots include, but are not limited to, inflatable tube displays, persons in costume, or wearing, holding, or spinning a sign with a cannabis-related commercial message or image, where the intent is to draw attention to a cannabis business or its products.

(7) A cannabis licensee that engages in outdoor advertising is subject to the advertising requirements and restrictions set forth in this subsection (7) and elsewhere in this chapter.

(a) All outdoor advertising signs, including billboards, are limited to text that identifies the retail outlet by the licensee's business or trade name, states the location of the business, and identifies the type or nature of the business. Such signs may not contain any depictions of cannabis plants, cannabis products, or images that might be appealing to children. The board is granted rule-making authority to regulate the text and images that are permissible on outdoor advertising. Such rule making must be consistent with other administrative rules generally applicable to the advertising of cannabis businesses and products.

(b) Outdoor advertising is prohibited:

(i) On signs and placards in arenas, stadiums, shopping malls, fairs that receive state allocations, farmers markets, and video game arcades, whether any of the foregoing are open air or enclosed, but not including any such sign or placard located in an adult only facility; and

(ii) Billboards that are visible from any street, road, highway, right-of-way, or public parking area are prohibited, except as provided in (c) of this subsection.

(c) Licensed retail outlets may use a billboard or outdoor sign solely for the purpose of identifying the name of the business, the nature of the business, and providing the public with directional information to the licensed retail outlet. Billboard advertising is subject to the same requirements and restrictions as set forth in (a) of this subsection.

(d) Advertising signs within the premises of a retail cannabis business outlet that are visible to the public from outside the premises must meet the signage regulations and requirements applicable to outdoor signs as set forth in this section.

(e) The restrictions and regulations applicable to outdoor advertising under this section are not applicable to:

(i) An advertisement inside a licensed retail establishment that sells cannabis products that is not placed on the inside surface of a window facing outward; or

(ii) An outdoor advertisement at the site of an event to be held at an adult only facility that is placed at such site during the period the facility or enclosed area constitutes an adult only facility, but in no event more than fourteen days before the event, and that does not advertise any cannabis product other than by using a brand name to identify the event.

(8) Merchandising within a retail outlet is not advertising for the purposes of this section.

(9) This section does not apply to a noncommercial message.

(10)(a) The board must:

(i) Adopt rules implementing this section and specifically including provisions regulating the billboards and outdoor signs authorized under this section; and

(ii) Fine a licensee one thousand dollars for each violation of this section until the board adopts rules prescribing penalties for violations of this section. The rules must establish escalating penalties including fines and up to suspension or revocation of a cannabis license for subsequent violations.

(b) Fines collected under this subsection must be deposited into the dedicated cannabis account created under RCW 69.50.530.

(11)(a) A city, town, or county may adopt rules of outdoor advertising by licensed cannabis retailers that ((~~are~~)):

(i) Allow advertising for the retail premises by cannabis retailers that are permitted to be within 1,000 feet of the locations specified in subsection (1) of this section pursuant to RCW 69.50.331(8)(b), not including elementary schools, secondary schools, or playgrounds; or

(ii) Are more restrictive than the advertising restrictions imposed under this chapter.

(b) Enforcement of restrictions to advertising by a city, town, or county is the responsibility of the city, town, or county.

(12) The board may not regulate the size of retail signs, whether indoor or outdoor, and billboards for licensed cannabis retailers. Licensed cannabis retailers are subject to any size requirements for retail signs and billboards of the city, town, or county in which the licensed cannabis retailer is located. This subsection does not affect the board's rule-making authority regarding any other licensed cannabis retailer advertising requirements under this section or RCW 69.50.342 or 69.50.345."

Correct the title.

Signed by Representatives Kloba, Co-Chair; Wylie, Co-Chair; Stearns, Vice Chair; Chambers, Ranking Minority Member; Robertson, Assistant Ranking Minority Member; Cheney; Orwall; Reeves; Walsh and Waters.

Referred to Committee on Rules for second reading

March 29, 2023

ESSB 5371 Prime Sponsor, Agriculture, Water, Natural Resources & Parks: Protecting southern resident orcas from vessels. Reported by Committee on Agriculture and Natural Resources

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) It is the intent of the legislature to support the recovery of endangered southern resident orcas by reducing underwater noise and disturbance from vessels, which is one of the three main threats to the population's recovery, along with availability of their preferred prey, Chinook salmon, and contaminants in their food and environment.

(2) The state has a compelling interest in protecting the iconic southern resident orca from extinction by acting to implement recovery activities and adaptively managing the southern resident orca recovery effort using best available science.

(3) Governor Inslee's southern resident orca task force produced 49 recommendations to address the three major threats to the population's recovery. While many investments have been made and implementation is ongoing, increased and sustained efforts are needed to advance salmon recovery, address water quality and contaminants in the environment, and reduce underwater noise and physical disturbance of orcas as they attempt to forage, communicate, and rest.

(4) The legislature finds that the threats to orcas are interrelated and they are inexorably linked with salmon recovery. Salmon face a diverse array of threats throughout their life cycle including the threat posed by pinnipeds, such as seals and sea lions, which are protected under federal law, but nevertheless pose a significant threat to salmon and orca recovery through ongoing and excessive predation. Salmon also face fish passage barriers, stormwater runoff, and spills from wastewater treatment plants, among other threats. It is in the best interest of all the people of Washington, including federally recognized tribes and private landowners, to increase the population of salmon and to ensure the survivability of salmon against all threats.

(5) The legislature directed the department of fish and wildlife to produce a

report on the effectiveness of regulations designed to address underwater noise and disturbance from commercial whale watching and recreational vessels. The legislature received the first of three mandated reports in November of 2022, and it contained an assessment of the most recent science demonstrating the negative impact of vessels on southern resident orca foraging behavior and foraging success.

(6) While it takes time to see results from efforts to increase prey availability and reduce contaminants, reducing noise and disturbance from vessels can provide immediate support for the southern resident orcas by increasing their likelihood of successful foraging.

**Sec. 2.** RCW 77.15.740 and 2019 c 291 s 1 are each amended to read as follows:

(1) Except as provided in subsection ((~~(2)~~))(3) of this section, it is unlawful for a person to:

(a) Cause a vessel or other object to approach, in any manner, within three hundred yards of a southern resident orca ((~~whale~~));

(b) Position a vessel to be in the path of a southern resident orca ((~~whale~~)) at any point located within ((~~four hundred~~))400 yards of the whale. This includes intercepting a southern resident orca ((~~whale~~)) by positioning a vessel so that the prevailing wind or water current carries the vessel into the path of the whale at any point located within four hundred yards of the whale;

(c) Position a vessel behind a southern resident orca ((~~whale~~)) at any point located within four hundred yards;

(d) Fail to disengage the transmission of a vessel that is within ((~~three hundred~~))300 yards of a southern resident orca ((~~whale~~));

(e) Cause a vessel or other object to exceed a speed greater than seven knots over ground at any point located within ((~~one-half nautical mile (one thousand thirteen yards)~~))1,000 yards of a southern resident orca ((~~whale~~)); or

(f) Feed a southern resident orca ((~~whale~~)).

(2) Except as provided in section 3 of this act, a voluntary 1,000-yard approach distance around southern resident orcas is established. This is also referred to as a 1,000-yard setback or 1,000-yard avoidance distance, as the intent is to discourage boaters from pursuing on-water viewing or approaching of southern resident orcas.

(3) A person is exempt from subsection (1) of this section if that person is:

(a) Operating a federal government vessel in the course of official duties, or operating a state, tribal, or local government vessel when engaged in official duties involving law enforcement, search and rescue, or public safety;

(b) Operating a vessel in conjunction with a vessel traffic service as a vessel traffic service user established under 33 C.F.R. and following a traffic separation scheme, or complying with a vessel traffic service or captain of the port measure ((~~of~~))or direction, or complying with the rules of the road or taking actions to ensure safety. This also includes ((~~support vessels escorting ships in the traffic lanes~~))vessel transits departing the lanes for safety reasons or to approach or depart a dock or anchorage area, including support vessels escorting or assisting vessels, such as tug boats;

(c) Engaging in an activity, including scientific research or oil spill response, pursuant to the conditions of a permit or other authorization from the national marine fisheries service ((~~and~~))or the department;

(d) Lawfully engaging in a treaty Indian or commercial fishery that is actively setting, retrieving, or closely tending fishing gear. Commercial fishing vessels in transit are not exempt from subsection (1) of this section;

(e) Conducting vessel operations necessary to avoid an imminent and serious threat to a person, vessel, or the environment, including when necessary for overall safety of navigation and to comply with state and federal navigation requirements; or

(f) Engaging in rescue or clean-up efforts of a beached southern resident orca ((~~whale~~)) overseen, coordinated, or authorized by a volunteer stranding network.

((~~(3)~~))(4) For the purpose of this section, "vessel" includes aircraft while on the surface of the water, and every description of watercraft on the water that is used or capable of being used as a means of transportation on the water. However, "vessel" does not include inner tubes, air mattresses, sailboards, and small rafts, or flotation devices or toys customarily used by swimmers.

((~~(4)~~))(5)(a) A violation of this section is a natural resource infraction punishable under chapter 7.84 RCW and carries a fine of five hundred dollars, not including statutory assessments added pursuant to RCW 3.62.090.

(b) A person who qualifies for an exemption under subsection ((~~(2)~~))(3) of this section may offer that exemption as an affirmative defense, which that person must prove by a preponderance of the evidence.

((~~(5) The enforcement actions required of the department from this section are subject to the availability of amounts appropriated for this specific purpose~~))(c) The department may choose to offer educational materials in lieu of issuing an infraction, at the officer's discretion.

(6) The department must post signs at public boat launches and marinas that provide information regarding the vessel setbacks and speed limits required by this section. However, the requirements of this section apply whether or not a sign is present and the absence of a sign is not a defense to any violation of this section.

(7) The department shall conduct outreach and education regarding regulations and best practices for recreational boating in waters inhabited by southern resident orcas, including best practices for avoiding or minimizing encounters closer than 1,000 yards from a southern resident orca consistent with the recommendations of the work group established in section 5 of this act. This may include the advancement and proliferation of tools for notifying boaters

of southern resident orca presence, identifying orca ecotypes, and estimating distance on the water.

NEW SECTION. **Sec. 3.** A new section is added to chapter 77.15 RCW to read as follows:

(1) It is unlawful for an operator of a motorized commercial whale watching vessel licensed under RCW 77.65.615 to:

(a) Approach, in any manner, within 1,000 yards of a southern resident orca;

(b) Position a vessel to be in the path of a southern resident orca at any point located within 1,000 yards of the whale. This includes intercepting a southern resident orca by positioning a vessel so that the prevailing wind or water current carries the vessel into the path of the whale at any point located within 1,000 yards of the whale;

(c) Fail to disengage the transmission of a vessel that is within 400 yards of a southern resident orca; or

(d) Cause a vessel or other object to exceed a speed greater than seven knots over ground at any point located within 1,000 yards of a southern resident orca.

(2) If an operator of a motorized commercial whale watching vessel enters within 1,000 yards of a group of southern resident orcas, after taking reasonable measures to determine whether the whales were southern resident orcas, and then identifies the whales as southern resident orcas, the operator must:

(a) Immediately safely reposition the vessel to be 1,000 yards or farther from the southern resident orcas; and

(b) Immediately after repositioning the vessel, report the location of the southern resident orca or orcas to the WhaleReport application for the whale report alert system, or to a successor transboundary notification system designated by the department that is adopted by the international shipping community in the Salish Sea.

NEW SECTION. **Sec. 4.** A new section is added to chapter 77.12 RCW to read as follows:

If the population of southern resident orcas reaches a threshold of 70 individuals or fewer, the department must provide a report to the legislature within one year of the threshold being met, consistent with RCW 43.01.036, that includes a study of how enforcement of implementing mandatory 1,000-yard setbacks for all vessels would be applied, the use of data science with respect to southern resident orca pod health, and evidence-based plans to address southern resident orca pod health.

NEW SECTION. **Sec. 5.** (1) The department of fish and wildlife must convene a diverse work group including, but not limited to, representatives from nongovernmental organizations, recreational boaters, the commercial whale watching industry, commercial fishers, ports and marinas, relevant government entities, tribes, and the southern resident orca research community to inform the development of outreach and education strategies to implement RCW 77.15.740(5). A report summarizing the work of the work group and the department of fish and wildlife's outreach strategies must be included in the 2024 adaptive management report identified in RCW 77.65.620(5). The department of fish and wildlife must conduct intensive outreach and education in fiscal year 2024 and the first half of 2025 to implement the work group outreach recommendations.

(2) In coordination with the work group established in this section, the department of fish and wildlife must conduct education and outreach to encourage voluntary adoption of the 1,000-yard setback from southern resident orcas established in RCW 77.15.740.

(3) The department of fish and wildlife must assess and report on the effectiveness of the voluntary 1,000-yard setback and recommendations for any further legislative action needed to protect southern resident orcas from the effects of vessels in the 2024 adaptive management report identified in RCW 77.65.620(5).

(4) This section expires June 30, 2025.

**Sec. 6.** RCW 77.65.615 and 2021 c 284 s 1 are each amended to read as follows:

(1) A commercial whale watching business license is required for commercial whale watching businesses. The annual fee for a commercial whale watching business license is ((~~two hundred dollars~~))$200 in addition to the annual application fee of ((~~seventy-five dollars~~))$70.

(2) The annual ((~~fees~~))application for a commercial whale watching business license as described in subsection (1) of this section must ((~~include fees for~~))list each motorized or sailing vessel ((~~or vessels as follows:~~

~~(a) One to twenty-four passengers, three hundred twenty-five dollars;~~

~~(b) Twenty-five to fifty passengers, five hundred twenty-five dollars;~~

~~(c) Fifty-one to one hundred passengers, eight hundred twenty-five dollars;~~

~~(d) One hundred one to one hundred fifty passengers, one thousand eight hundred twenty-five dollars; and~~

~~(e) One hundred fifty-one passengers or greater, two thousand dollars~~))to be covered under the business license.

(3) The holder of a commercial whale watching business license for motorized or sailing vessels required under subsection (2) of this section may ((~~substitute the vessel designated~~))designate an additional vessel on the license((~~, or designate a vessel if none has previously been designated,~~)) if the license holder((~~:~~

~~(a) Surrenders the previously issued license to the department;~~

~~(b) Submits~~))submits to the department an application that identifies the ((~~currently designated vessel, the~~)) vessel proposed to be designated((~~,~~)) and any other information required by the department((~~; and~~

~~(c) Pays to the department a fee of thirty-five dollars and an application fee of one hundred five dollars~~)).

(4) ((~~Unless the business license holder owns all vessels identified on the~~

~~application described in subsection (3)(b) of this section, the department may not change the vessel designation on the license more than once per calendar year.~~

~~(5)~~)) A commercial whale watching operator license is required for commercial whale watching operators. A person may operate a motorized or sailing commercial whale watching vessel designated on a commercial whale watching business license only if:

(a) The person holds a commercial whale watching operator license issued by the director; and

(b) The person is designated as an operator on the underlying commercial whale watching business license.

((~~(6)~~))(5) No individual may hold more than one commercial whale watching operator license. An individual who holds an operator license may be designated as an operator on an unlimited number of commercial whale watching business licenses.

((~~(7)~~))(6) The annual application fee for a commercial whale watching operator license is ((~~one hundred dollars in addition to an annual application fee of seventy-five dollars~~))$25.

(7) A paddle tour business license is required for businesses conducting paddle tours. The annual fee for a paddle tour business license is $200 in addition to the annual application fee of $70.

(8) A person may conduct ((~~commercial whale watching via~~)) guided ((~~kayak~~))paddle tours only if:

(a) The person holds a ((~~kayak~~))paddle guide license issued by the director; and

(b) The person is designated as a ((~~kayak~~)) guide on the underlying ((~~commercial whale watching~~))paddle tour business license.

(9) No individual may hold more than one ((~~kayak~~))paddle guide license. An individual who holds a ((~~kayak~~))paddle guide license may be designated on an unlimited number of ((~~commercial whale watching~~))paddle tour business licenses.

(10) The annual application fee for a ((~~kayak~~))paddle guide license is $25 ((~~in addition to an annual application fee of $25~~)).

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

(a) "Commercial whale watching" means the act of taking, or offering to take, passengers aboard a motorized or sailing vessel ((~~or guided kayak tour in order~~)) to view marine mammals in their natural habitat for a fee.

(b) "Commercial whale watching business" means a business that engages in the activity of commercial whale watching.

(c) "Commercial whale watching business license" means a department-issued license to operate a commercial whale watching business.

(d) "Commercial whale watching license" means a commercial whale watching business license((~~,~~))or a commercial whale watching operator license((~~, or a kayak guide license~~)) as defined in this section.

(e) "Commercial whale watching operator" means a person who operates a motorized or sailing vessel engaged in the business of whale watching.

(f) "Commercial whale watching operator license" means a department-issued license to operate a commercial motorized or sailing vessel on behalf of a commercial whale watching business.

(g) "Commercial whale watching vessel" means any vessel that is being used as a means of transportation for individuals to engage in commercial whale watching.

(h) "((~~Kayak~~))Paddle guide" means a person who conducts guided ((~~kayak~~)) tours on behalf of a ((~~commercial whale watching~~))paddle tour business.

(i) "((~~Kayak~~))Paddle guide license" means a department-issued license to conduct commercial guided ((~~kayak~~))paddle tours on behalf of a ((~~commercial whale watching~~))paddle tour business.

(j) "Paddle tour business" means a business that conducts paddle tours.

(k) "Paddle tour" means the act of guiding or offering to take people aboard nonmotorized or human-powered vessels, such as kayaks or paddle boards, on a trip, tour, or guided lesson that involves viewing marine mammals in their natural habitat for a fee.

(12) The residency and business requirements of RCW 77.65.040 (2) and (3) do not apply to Canadian individuals or corporations applying for and holding Washington commercial whale watching licenses defined in this section.

(13) The license and application fees in this section ((~~are waived for calendar years 2021 and 2022~~))may be waived for organizations whose relevant commercial whale watching or marine paddle tour activities are solely for bona fide nonprofit educational purposes.

**Sec. 7.** RCW 77.15.815 and 2019 c 291 s 4 are each amended to read as follows:

(1) This section applies only to persons and activities defined in RCW 77.65.615, including commercial whale watching and paddle tours.

(2) A person is guilty of unlawfully engaging in commercial whale watching in the second degree if the person conducts commercial whale watching activities and:

(a) Does not have and possess all licenses and permits required under this title; or

(b) Violates any department rule regarding ((~~the operation of a~~)) commercial whale watching ((~~vessel near a southern resident orca whale~~)).

((~~(2)~~))(3) A person is guilty of engaging in commercial whale watching in the first degree if the person commits the act described in subsection ((~~(1)~~))(2) of this section and the violation occurs within ((~~one year of the date of a prior conviction under this section~~))five years of any of the following:

(a) The date of a prior conviction under this section;

(b) The date of a finding of guilt or plea of guilty pursuant to an amended information, criminal complaint or citation, or infraction for any violation that was originally charged as a violation of this

section, regardless of whether the imposition of the sentence is deferred or the penalty is suspended; or

(c) The date of any disposition of a case arising from an act originally charged as a violation of this section, whereby the offender enters into a disposition that continues or defers the case for dismissal upon the successful completion of specific terms or conditions.

((~~(3)~~))(4)(a) Unlawful commercial whale watching in the second degree is a misdemeanor.

(b) Unlawful commercial whale watching in the first degree is a gross misdemeanor. ((~~Upon conviction~~))In addition to the appropriate criminal penalties, the director shall ((~~deny applications submitted by the person for a commercial whale watching license or alternate operator license for two years from the date of conviction~~))revoke any operator license, business license, or both, and order a suspension of the person's privilege to engage in commercial whale watching for two years.

(5) A person is guilty of unlawfully engaging in a paddle tour in the second degree if the person conducts paddle tour activities and:

(a) Does not have and possess all licenses and permits required under this title; or

(b) Violates any department rule regarding the operation of paddle tours in marine waters.

(6) A person is guilty of unlawfully engaging in a paddle tour in the first degree if the person commits an act described in subsection (5) of this section and the violation occurs within five years of the date of any of the following:

(a) The date of a prior conviction under this section;

(b) The date of a finding of guilt or plea of guilty pursuant to an amended information, criminal complaint or citation, or infraction for any violation that was originally charged as a violation of this section, regardless of whether the imposition of sentence is deferred or the penalty is suspended; or

(c) The date of any disposition of a case arising from an act originally charged as a violation of this section, whereby the offender enters into a disposition that continues or defers the case for dismissal upon the successful completion of specific terms and conditions.

(7)(a) Unlawful engagement in a paddle tour in the second degree is a misdemeanor.

(b) Unlawful engagement in a paddle tour in the first degree is a gross misdemeanor. In addition to appropriate criminal penalties, the director shall revoke any paddle guide license, business license, or both, and order a suspension of the person's privilege to conduct paddle tours in marine waters for two years."

Correct the title.

Signed by Representatives Chapman, Chair; Morgan, Vice Chair; Reeves, Vice Chair; Dent, Ranking Minority Member; Kloba; Kretz; Lekanoff; Schmick and Springer.

MINORITY recommendation: Do not pass. Signed by Representatives Chandler, Assistant Ranking Minority Member; and Orcutt.

Referred to Committee on Appropriations

March 29, 2023

SSB 5388 Prime Sponsor, Health & Long Term Care: Concerning improving diversity in clinical trials. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

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

(a) Controlled clinical trials provide a critical base of evidence for evaluating whether a medical product is safe, effective, and efficacious before the product is approved for marketing. The federal food and drug administration has evaluated demographic profiles of people participating in clinical trials for approved drugs and found that some groups, especially ethnic and racial groups, are generally not well represented in clinical trials;

(b) Communities of color have been working diligently to establish a foundation of trust with government and clinical research with the goal of engaging more trial participants who are members of underrepresented demographic groups;

(c) Joining clinical trials is a difficult and complex process and the lack of trust and awareness of clinical trials and research, in addition to burdens related to transportation, geography, and access, limit trial participants; and

(d) The lack of diversity in clinical trials compounds access to treatment disparities and limits our understanding of the impacts of studied interventions and conditions across the population.

(2) Therefore, the legislature intends to deepen our understanding and knowledge of what communities are underrepresented in clinical trials and the barriers to accessing clinical trials; provide recommendations to increase participation across all populations; and require certain entities conducting clinical trials to offer trial participants information in a language other than English, provide culturally specific recruitment materials alongside general enrollment materials, and provide electronic consent.

**Sec. 2.** RCW 43.348.010 and 2018 c 4 s 1 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Board" means the governing board of the endowment.

(2) "Cancer" means a group of diseases involving unregulated cell growth.

(3) "Cancer patient advocacy organizations" means groups with offices in the state that promote cancer prevention and advocate on behalf of cancer patients.

(4) "Cancer research" means advanced and applied research and development relating to the causes, prevention, and diagnosis of cancer and care of cancer patients including the development of tests, genetic analysis, medications, processes, services, and technologies to optimize cancer therapies and their manufacture and commercialization and includes the costs of recruiting scientists and establishing and equipping research facilities.

(5) "Commercial entity" means a for-profit entity located in the state that develops, manufactures, or sells goods or services relating to cancer prevention or care.

(6) "Committee" means an independent expert scientific review and advisory committee established under RCW 43.348.050.

(7) "Contribution agreement" means any agreement authorized under this chapter in which a private entity or a public entity other than the state agrees to provide to the endowment contributions for the purpose of cancer research, prevention, or care.

(8) "Costs" means the costs and expenses associated with the conduct of research, prevention, and care including, but not limited to, the cost of recruiting and compensating personnel, securing and financing facilities and equipment, and conducting clinical trials.

(9) "Department" means the department of commerce.

(10) "Endowment" means the Andy Hill cancer research endowment.

(11) "Fund" means the Andy Hill cancer research fund created in RCW 43.348.060(1)(b).

(12) "Health care delivery system" means hospitals and clinics providing care to patients in the state.

(13) "Life sciences research" means advanced and applied research and development intended to improve human health, including scientific study of the developing brain and human learning and development, and other areas of scientific research and development vital to the state's economy.

(14) "Prevention" means measures to prevent the development and progression of cancer, including education, vaccinations, and screening processes and technologies, and to reduce the risk of cancer.

(15) "Program" means the Andy Hill cancer research endowment program created in RCW 43.348.040.

(16) "Program administrator" means a private nonprofit corporation qualified as a tax-exempt entity under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code, with expertise in conducting or managing research granting activities, funds, or organizations.

(17) "Underrepresented community" or "underrepresented demographic group" means a community or demographic group that is more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, and geographic location.

**Sec. 3.** RCW 43.348.040 and 2018 c 4 s 4 are each amended to read as follows:

(1) The Andy Hill cancer research endowment program is created. The purpose of the program is to make grants to public and private entities, including commercial entities, to fund or reimburse the entities pursuant to agreement for the promotion of cancer research to be conducted in the state. The endowment is to oversee and guide the program, including the solicitation, selection, and award of grants.

(2) The board must develop a plan for the allocation of projected amounts in the fund, which it must update annually, following at least one annual public hearing. The plan must provide for appropriate funding continuity and take into account the projected speed at which revenues will be available and amounts that can be spent during the plan period.

(3) The endowment must solicit requests for grant funding and evaluate the requests by reference to factors such as: (a) The quality of the proposed research or program; (b) its potential to improve health outcomes of persons with cancer, with particular attention to the likelihood that it will also lower health care costs, substitute for a more costly diagnostic or treatment modality, or offer a breakthrough treatment for a particular cancer or cancer-related condition or disease; (c) its potential for leveraging additional funding; (d) its potential to provide additional health care benefits or benefit other human diseases or conditions; (e) its potential to stimulate life science, health care, and biomedical employment in the state; (f) the geographic diversity of the grantees within Washington; (g) evidence of potential royalty, sales, or licensing revenue, or other commercialization-related revenue and contractual means to recapture such income for purposes of this chapter; ((~~and~~)) (h) evidence of public and private collaboration; (i) the ability to offer trial participants information in a language other than English; (j) the ability to provide culturally specific recruitment materials alongside general enrollment materials; (k) the ability to provide electronic consent when not prohibited by other granting entities or federal regulations; and (l) other evidence of outreach and engagement to increase participation of underrepresented communities in clinical trials of drugs and medical devices.

(4) The endowment may not award a grant for a proposal that was not recommended by an independent expert scientific review and advisory committee under RCW 43.348.050.

(5) The endowment must issue an annual report to the public that sets forth its activities with respect to the fund, including grants awarded, grant-funded work in progress, research accomplishments, prevention, and care activities, and future program directions with respect to cancer research, prevention, and care. Each annual report regarding activities of the program

and fund must include, but not be limited to, the following: The number and dollar amounts of grants; the grantees for the prior year; the endowment's administrative expenses; an assessment of the availability of funding for cancer research, prevention, and care from sources other than the endowment; a summary of research, prevention, and care-related findings, including promising new areas for investment; and a report on the benefits to Washington of its programs to date.

(6) The endowment's first annual report must include a proposed operating plan for the design, implementation, and administration of an endowment program supporting the purposes of the endowment and program.

(7) The endowment must adopt policies to ensure that all potential conflicts have been disclosed and that all conflicts have been eliminated or mitigated.

(8) The endowment must establish standards to ensure that recipients of grants for cancer research, prevention, or care purchase goods and services from Washington suppliers to the extent reasonably possible.

NEW SECTION. **Sec. 4.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Underrepresented community" or "underrepresented demographic group" means a community or demographic group that is more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, and geographic location.

(2) "Review board" means the Washington state institutional review board, established pursuant to 45 C.F.R. Part 46, which is the designated institutional review board for the department of social and health services, the department of health, the department of labor and industries, and other state agencies.

NEW SECTION. **Sec. 5.** Any submissions or proposals submitted to the review board shall include and the review board shall consider the following:

(1) The ability of the agency to offer trial participants information in a language other than English;

(2) The ability of the agency to provide culturally specific recruitment materials alongside general enrollment materials;

(3) The ability to provide electronic consent when not prohibited by the granting entity or federal regulations; and

(4) Any other evidence of outreach and engagement to increase participation of underrepresented communities in clinical trials of drugs and medical devices.

NEW SECTION. **Sec. 6.** Any state entity that receives funding from the national institutes of health to conduct clinical trials of drugs or medical devices shall adopt a policy concerning the identification and recruitment of persons who are members of underrepresented demographic groups to participate in clinical trials of drugs and medical devices. This policy must include requirements to:

(1) Offer trial participants information in a language other than English;

(2) Provide culturally specific recruitment materials alongside general enrollment materials;

(3) Provide electronic consent when not prohibited by the granting entity or federal regulations; and

(4) Provide other strategies of outreach and engagement to increase participation of underrepresented communities in clinical trials of drugs and medical devices.

NEW SECTION. **Sec. 7.** A new section is added to chapter 28B.20 RCW to read as follows:

(1) If at any time the University of Washington receives funding from the national institutes of health to conduct clinical trials of drugs or medical devices, the University of Washington shall adopt a policy concerning the identification and recruitment of persons who are members of underrepresented demographic groups to participate in clinical trials of drugs and medical devices. This policy must include requirements to:

(a) Offer trial participants information in a language other than English;

(b) Provide culturally specific recruitment materials alongside general enrollment materials;

(c) Provide electronic consent when not prohibited by the granting entity or federal regulations; and

(d) Provide other strategies of outreach and engagement to increase participation of underrepresented communities in clinical trials of drugs and medical devices.

(2) For the purposes of this section, "Underrepresented community" or "underrepresented demographic group" means a community or demographic group that is more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, and age.

NEW SECTION. **Sec. 8.** A new section is added to chapter 28B.30 RCW to read as follows:

(1) If at any time Washington State University receives funding from the national institutes of health to conduct clinical trials of drugs or medical devices, Washington State University shall adopt a policy concerning the identification and recruitment of persons who are members of underrepresented demographic groups to participate in clinical trials of drugs and medical devices. This policy must include requirements to:

(a) Offer trial participants information in a language other than English;

(b) Provide culturally specific recruitment materials alongside general enrollment materials;

(c) Provide electronic consent when not prohibited by the granting entity or federal regulations; and

(d) Provide other strategies of outreach and engagement to increase participation of underrepresented communities in clinical trials of drugs and medical devices.

(2) "Underrepresented community" or "underrepresented demographic group" means a community or demographic group that is more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, and geographic location.

NEW SECTION. **Sec. 9.** A new section is added to chapter 70.41 RCW to read as follows:

(1) Any hospital that receives funding from the national institutes of health to conduct clinical trials of drugs or medical devices shall adopt a policy concerning the identification and recruitment of persons who are members of underrepresented demographic groups to participate in clinical trials of drugs and medical devices. This policy must include requirements to:

(a) Offer trial participants information in a language other than English;

(b) Provide culturally specific recruitment materials alongside general enrollment materials;

(c) Provide electronic consent when not prohibited by the granting entity or federal regulations; and

(d) Provide other strategies of outreach and engagement to increase participation of underrepresented communities in clinical trials of drugs and medical devices.

(2) "Underrepresented community" or "underrepresented demographic group" means a community or demographic group that is more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, and geographic location.

NEW SECTION. **Sec. 10.** (1) The department of health, in consultation with the University of Washington, Washington State University, the Andy Hill cancer research endowment, Washington community health boards and initiatives, community-based organizations, and other relevant research organizations, shall analyze and provide recommendations on the following:

(a) What demographic groups and populations are currently represented and underrepresented in clinical trials in Washington, including geographic representation;

(b) Information concerning methods for identifying and recruiting persons who are members of underrepresented demographic groups to participate in clinical trials;

(c) Barriers for persons who are members of underrepresented demographic groups to participate in clinical trials in Washington, including barriers related to transportation;

(d) Approaches for how clinical trials can successfully provide outreach to underrepresented communities and recommendations on what clinical trials should provide or consider to increase participation in clinical trials; and

(e) A list of appropriate entities that may be able to provide assistance with efforts to increase participation by underrepresented demographic groups in clinical trials.

(2) By December 1, 2023, the department of health shall report to the legislature the results of the analysis and recommendations to increase diversity and reduce barriers for participants in clinical trials.

(3) For purposes of this section, "underrepresented community" or "underrepresented demographic group" means a community or demographic group that is more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, and geographic location.

(4) This section expires December 31, 2023.

NEW SECTION. **Sec. 11.** Sections 4 through 6 of this act constitute a new chapter in Title 69 RCW."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Bronoske; Davis; Macri; Maycumber; Orwall; Simmons; Stonier; Thai and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representatives Schmick, Ranking Minority Member; Graham; and Harris.

MINORITY recommendation: Without recommendation. Signed by Representatives Hutchins, Assistant Ranking Minority Member; Barnard; and Mosbrucker.

Referred to Committee on Appropriations

March 29, 2023

SSB 5389 Prime Sponsor, Health & Long Term Care: Concerning the practice of optometry. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 18.53.010 and 2015 c 113 s 1 are each amended to read as follows:

(1) The practice of optometry is defined as the examination of the human eye, the examination and ascertaining any defects of the human vision system, and the analysis of the process of vision. The practice of optometry may include, but not necessarily be limited to, the following:

(a) The employment of any objective or subjective means or method, including the use of drugs, for diagnostic and therapeutic purposes by those licensed under this chapter and who meet the requirements of subsections ((~~(2)~~)) (4) and ((~~(3)~~)) (6) of this section, and the use of any diagnostic instruments or devices for the examination or analysis of the human vision system, the

measurement of the powers or range of human vision, or the determination of the refractive powers of the human eye or its functions in general; ((~~and~~))

(b) The prescription and fitting of lenses, prisms, therapeutic or refractive contact lenses and the adaption or adjustment of frames and lenses used in connection therewith; ((~~and~~))

(c) The prescription and fitting of contact lenses for the purpose of altering refractive error or to treat eye disease;

(d) The prescription and provision of visual therapy, neuro-optometry rehabilitation, therapeutic aids, subnormal vision therapy, orthoptics, and other optical devices; ((~~and~~

~~(d)~~))(e) The ascertainment of the perceptive, neural, muscular, or pathological condition of the visual system; ((~~and~~

~~(e)~~))(f) The adaptation of prosthetic eyes;

(g) Ordering necessary diagnostic lab or imaging tests including, but not limited to, finger-stick testing and collecting samples for culturing;

(h) Dispensing of medication samples to initiate treatment is permitted; and

(i) Removal of nonpenetrating foreign bodies by any means, debridement of tissue by any means, epilation of misaligned eyelashes, placement of punctal or lacrimal plugs, including devices containing pharmaceutical agents implanted in the lacrimal system, dilation and irrigation of the lacrimal system, light therapy, and placement of biologic membranes.

(2)(a) The practice of optometry may include the following advanced procedures:

(i) Common complication of the lids, lashes, and lacrimal systems;

(ii) Chalazion management, including injection and excision;

(iii) Injections, including intramuscular injections of epinephrine and subconjunctival and subcutaneous injections of medications;

(iv) Management of lid lesions, including intralesional injection of medications;

(v) Preoperative and postoperative care related to these procedures;

(vi) Use of topical and injectable anesthetics; and

(vii) Eyelid surgery, excluding any cosmetic surgery or surgery requiring the use of general anesthesia.

(b) An optometrist shall not perform any advanced procedures listed in this subsection until he or she receives a license endorsement issued by the optometry board. The board may not issue an endorsement unless the licensed optometrist meets the educational, training, and competence criteria set forth in this section.

(3) The practice of optometry does not include:

(a) Performing retinal laser procedures, laser-assisted in situ keratomileus, photorefractive keratectomy, laser epithelial keratomileusis, or any forms of refractive surgery, other than light adjustable lens procedures;

(b) Penetrating keratoplasty, corneal transplant, or lamellar keratoplasty;

(c) Administering intravenous or general anesthesia;

(d) Performing surgery with general anesthesia;

(e) Providing laser or nonlaser injections into the vitreous chamber of the eye to treat any macular or retinal disease;

(f) Performing surgery related to the removal of the eye from a living human being;

(g) Performing surgery requiring a full thickness incision or excision of the cornea or sclera other than paracentesis in an emergency situation requiring immediate reduction of the pressure inside of the eye;

(h) Performing surgery requiring incision of the iris and ciliary body, including iris diathermy or cryotherapy;

(i) Performing surgery requiring incision of the vitreous or retina;

(j) Performing surgical extraction of the crystalline lens;

(k) Performing surgical intraocular implants;

(l) Performing incisional or excisional surgery of the extraocular muscles;

(m) Performing surgery of the eyelid for malignancies or for incisional cosmetic or mechanical repair of blepharochalasis, ptosis, or tarsorrhaphy;

(n) Performing surgery of the bony orbit, including orbital implants;

(o) Performing incisional or excisional surgery of the lacrimal system other than lacrimal probing or related procedures;

(p) Performing surgery requiring full thickness conjunctivoplasty with graft or flap;

(q) Performing any surgical procedure that does not provide for the correction and relief of ocular abnormalities;

(r) Providing an incision into the eyeball;

(s) Providing sub-tenon, retrobulbar, intraorbital, or botulinum toxin injection; or

(t) Performing pterygium surgery.

(4)(a) Those persons using topical and oral drugs for diagnostic and therapeutic purposes in the practice of optometry shall have a minimum of ((~~sixty~~))60 hours of didactic and clinical instruction in general and ocular pharmacology as applied to optometry, as established by the optometry board, and certification from an institution of higher learning, accredited by those agencies recognized by the United States office of education or the council on postsecondary accreditation to qualify for certification by the optometry board of Washington to use drugs for diagnostic and therapeutic purposes.

(b) Those persons using or prescribing topical drugs for therapeutic purposes in the practice of optometry must be certified under (a) of this subsection, and must have an additional minimum of ((~~seventy-five~~))75 hours of didactic and clinical instruction as established by the optometry board, and certification from an institution of higher learning, accredited by those agencies recognized by the United States office of education or the council on postsecondary accreditation to qualify for certification by the optometry board of Washington to use drugs for therapeutic purposes.

(c) Those persons using or prescribing drugs administered orally for diagnostic or therapeutic purposes in the practice of optometry shall be certified under (b) of this subsection, and shall have an additional minimum of ((~~sixteen~~))16 hours of didactic and eight hours of supervised clinical instruction as established by the optometry board, and certification from an institution of higher learning, accredited by those agencies recognized by the United States office of education or the council on postsecondary accreditation to qualify for certification by the optometry board of Washington to administer, dispense, or prescribe oral drugs for diagnostic or therapeutic purposes.

(d) Those persons administering epinephrine by injection for treatment of anaphylactic shock in the practice of optometry must be certified under (b) of this subsection and must have an additional minimum of four hours of didactic and supervised clinical instruction, as established by the optometry board, and certification from an institution of higher learning, accredited by those agencies recognized by the United States office of education or the council on postsecondary accreditation to qualify for certification by the optometry board to administer epinephrine by injection.

(e) Such course or courses shall be the fiscal responsibility of the participating and attending optometrist.

(f)((~~(i)~~)) All persons receiving their initial license under this chapter on or after January 1, 2007, must be certified under (a), (b), (c), and (d) of this subsection.

(((~~(ii) All persons licensed under this chapter on or after January 1, 2009, must be certified under (a) and (b) of this subsection.~~

~~(iii) All persons licensed under this chapter on or after January 1, 2011, must be certified under (a), (b), (c), and (d) of this subsection.~~

~~(3)~~))(5)(a) To receive a license endorsement to perform the advanced procedures listed in this section, a licensed optometrist must:

(i) Successfully complete postgraduate courses as designated by the optometry board in collaboration with the medical commission that provide adequate training on those procedures. Any course that is offered by an institution of higher education accredited by those agencies recognized by the United States office of education or the council on postsecondary accreditation and approved by the optometry board to qualify for an endorsement to perform advanced procedures must contain supervised hands-on experience with live patients, or be supplemented by a residency, internship, or other supervised program that offers hands-on experience with live patients;

(ii) Successfully complete a national examination for advanced procedures, including the lasers and surgical procedures examination, injections skill examination, or other equivalent examination as designated by the optometry board; and

(iii) Enter into an agreement with a qualified physician licensed under chapter 18.71 RCW or an osteopathic physician licensed under chapter 18.57 RCW for rapid response if complications occur during an advanced procedure.

(b) Upon completion of the above listed requirements, proof of training shall be submitted to the optometry board for approval. No optometrist may perform the advanced procedures listed in subsection (2) of this section until they have received confirmation of the endorsement in writing.

(6) The optometry board shall establish a list of topical drugs for diagnostic and treatment purposes limited to the practice of optometry, and no person licensed pursuant to this chapter shall prescribe, dispense, purchase, possess, or administer drugs except as authorized and to the extent permitted by the optometry board.

((~~(4)~~))(7) The optometry board must establish a list of oral Schedule III through V controlled substances and any oral legend drugs, with the approval of and after consultation with the pharmacy quality assurance commission. The optometry board may include Schedule II hydrocodone combination products consistent with subsection ((~~(6)~~))(9) of this section. No person licensed under this chapter may use, prescribe, dispense, purchase, possess, or administer these drugs except as authorized and to the extent permitted by the optometry board. ((~~No optometrist may use, prescribe, dispense, or administer oral corticosteroids~~))To prescribe oral corticosteroids for more than seven days, an optometrist must consult with a licensed physician.

(a) The optometry board, with the approval of and in consultation with the pharmacy quality assurance commission, must establish, by rule, specific guidelines for the prescription and administration of drugs by optometrists, so that licensed optometrists and persons filling their prescriptions have a clear understanding of which drugs and which dosages or forms are included in the authority granted by this section.

(b) An optometrist may not((~~:~~

~~(i) Prescribe~~))prescribe, dispense, or administer a controlled substance for more than seven days in treating a particular patient for a single trauma, episode, or condition or for pain associated with or related to the trauma, episode, or condition((~~; or~~

~~(ii) Prescribe an oral drug within ninety days following ophthalmic surgery unless the optometrist consults with the treating ophthalmologist~~)).

(c) If treatment exceeding the limitation in (b)((~~(i)~~)) of this subsection is indicated, the patient must be referred to a physician licensed under chapter 18.71 RCW.

(d) The prescription or administration of drugs as authorized in this section is specifically limited to those drugs appropriate to treatment of diseases or conditions of the human eye and the adnexa that are within the scope of practice of optometry. The prescription or administration of drugs for any other purpose is not authorized by this section.

((~~(5)~~))(8) The optometry board shall develop a means of identification and

verification of optometrists certified to ((~~use therapeutic drugs for the purpose of issuing prescriptions as authorized by this section~~))perform advanced procedures.

((~~(6)~~))(9) Nothing in this chapter may be construed to authorize the use, prescription, dispensing, purchase, possession, or administration of any Schedule I or II controlled substance, except Schedule II hydrocodone combination products. The provisions of this subsection must be strictly construed.

((~~(7) With the exception of the administration of epinephrine by injection for the treatment of anaphylactic shock, no injections or infusions may be administered by an optometrist.~~

~~(8)~~))(10) Nothing in this chapter may be construed to authorize optometrists to perform ophthalmic surgery. Ophthalmic surgery is defined as any invasive procedure in which human tissue is cut, ablated, or otherwise penetrated by incision, injection, laser, ultrasound, or other means, in order to: Treat human eye diseases; alter or correct refractive error; or alter or enhance cosmetic appearance. Nothing in this chapter limits an optometrist's ability to use diagnostic instruments utilizing laser or ultrasound technology. Ophthalmic surgery, as defined in this subsection, does not include the advanced procedures listed in subsection (2)(a) of this section, removal of superficial ocular foreign bodies, epilation of misaligned eyelashes, placement of punctal or lacrimal plugs, diagnostic dilation and irrigation of the lacrimal system, orthokeratology, prescription and fitting of contact lenses with the purpose of altering refractive error, or other similar procedures within the scope of practice of optometry.

(11) In a public health emergency, the state health officer may authorize licensed optometrists to administer inoculations for systemic health reasons.

(12)(a) Any optometrist authorized by the optometry board shall be permitted to purchase diagnostic pharmaceutical agents for use in the practice of optometry. Any optometrist authorized by the optometry board shall be permitted to prescribe therapeutic pharmaceutical agents in the practice of optometry. Optometrists authorized by the optometry board to purchase pharmaceutical agents shall obtain them from licensed wholesalers or pharmacists, using prescriptions or chart orders placed in the same or similar manner as any physician or other practitioner so authorized. Purchases shall be limited to those pharmaceutical agents specified in this section, based upon the authority conferred upon the optometrist by the optometry board consistent with the educational qualifications of the optometrist as established in this section.

(b) Diagnostic and therapeutic pharmaceutical agents are any prescription or nonprescription drug delivered via any route of administration used or prescribed for the diagnosis, treatment, or mitigation of abnormal conditions and pathology of the human eye and its adnexa. Diagnostic and therapeutic pharmaceutical agents do not include Schedule I and Schedule II drugs, except for hydrocodone combination products.

**Sec. 2.** RCW 18.54.050 and 2011 c 336 s 491 are each amended to read as follows:

The board must meet at least once yearly or more frequently upon call of the chair or the secretary of health at such times and places as the chair or the secretary of health may designate by giving three days' notice or as otherwise required by RCW 42.30.075. A full record of the board's proceedings shall be kept in the office of the board and shall be open to inspection at all reasonable times.

**Sec. 3.** RCW 18.54.070 and 1995 c 198 s 7 are each amended to read as follows:

The board has the following powers and duties:

(1) To develop and administer, or approve, or both, a licensure examination. The board may approve an examination prepared or administered by a private testing agency or association of licensing authorities.

(2) The board shall adopt rules and regulations to promote safety, protection, and the welfare of the public, to carry out the purposes of this chapter, to aid the board in the performance of its powers and duties, and to govern the practice of optometry. The administrative regulations shall include the classification and licensure of optometrists by examination or credentials, retirement of a license, and reinstatement of a license.

(3) The board shall have the authority to provide rule making regarding the allowable procedures and their educational requirements within the confines of this chapter and chapter 18.53 RCW.

(4) The board shall keep a register containing the name, address, license number, email, and phone number of every person licensed to practice optometry in this state to the best of their ability.

NEW SECTION. **Sec. 4.** A new section is added to chapter 18.54 RCW to read as follows:

(1) By December 1, 2026, the board in coordination with the department of health shall collect, analyze, and report on the outcomes of the advanced procedures authorized in RCW 18.53.010. The report should include any complications to patients receiving advanced procedures. The department of health must make this report publicly available on its website.

(2) This section expires August 1, 2027."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Schmick, Ranking Minority Member; Hutchins, Assistant Ranking Minority Member; Barnard; Graham; Harris; Macri; Maycumber; Mosbrucker; Simmons; Stonier; Thai and Tharinger.

MINORITY recommendation: Without recommendation. Signed by Representatives Bronoske; Davis; and Orwall.

Referred to Committee on Rules for second reading

March 29, 2023

SB 5459 Prime Sponsor, Senator Hunt: Concerning requests for records containing election information. Reported by Committee on State Government & Tribal Relations

MAJORITY recommendation: Do pass. Signed by Representatives Ramos, Chair; Stearns, Vice Chair; Gregerson and Mena.

MINORITY recommendation: Do not pass. Signed by Representatives Abbarno, Ranking Minority Member; Christian, Assistant Ranking Minority Member; and Low.

Referred to Committee on Rules for second reading

March 28, 2023

ESSB 5466 Prime Sponsor, Transportation: Promoting transit-oriented development. Reported by Committee on Housing

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that the state has made groundbreaking investments in state-of-the-art mass transit and intermodal infrastructure. The legislature finds that to maximize the state's return on these investments, land use policies and practices must keep pace with progress being implemented in transportation infrastructure development. The legislature also intends new development to reflect the state's commitment to vibrant, walkable, accessible urban environments that improve health, expand multimodal transportation options, and include varied community facilities, parks, and green spaces that are open to people of all income levels.

The legislature recognizes that cities planning under chapter 36.70A RCW require direction and technical assistance to ensure the benefits of state transportation investments are maximized and shared equitably while avoiding unnecessary programmatic and cost burdens to local governments in their comprehensive planning, code enactment, and permit processing workloads. The legislature further recognizes that regulatory flexibility and local control are also important features of optimal planning outcomes.

NEW SECTION. **Sec. 2.** A new section is added to chapter 47.01 RCW to read as follows:

(1) The department must create a new division within its agency or expand an existing division within its agency to mediate or help resolve disputes between the department, local governments, and project proponents regarding land use decisions and processing development permit applications.

(2) The department must adopt any rules necessary to implement this section.

NEW SECTION. **Sec. 3.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The department, in consultation with the department of transportation, must establish and administer a competitive grant program to assist in the financing of housing projects within station areas.

(2) Entities eligible to receive grant awards are state agencies, local governments, and nonprofit or for-profit housing developers. Eligible uses of grant awards include project capital costs and infrastructure costs and addressing gaps in project financing that would prevent ongoing or complete project construction.

(3) Eligible housing projects must meet the following requirements:

(a) Be within a station area;

(b) Comply with the applicable transit-oriented density;

(c) Produce at least 100 units of rental, shelter, or permanent supportive housing or at least 30 units of owner-occupied housing; and

(d) Include a covenant on the property requiring 100 percent of units remain affordable for at least 50 years for households with incomes at or below 60 percent of area median income for rental, shelter, or permanent supportive housing projects or at or below 80 percent of area median income for homeownership projects.

(4) The department must prioritize eligible projects by occupancy date, with a target occupancy date of December 31, 2025. The department must also consider the following criteria when prioritizing projects:

(a) Have a high concentration of units affordable to households with incomes at or below 50 percent area median income;

(b) Do not include costs related to land acquisition;

(c) Include land acquired at a reduced price or without cost;

(d) Abide by antidisplacement measures, if appropriate;

(e) Submitted by community-based housing developers; or

(f) Include units with additional bedrooms or intended for occupancy by families with multiple dependents.

(5) The department may adopt any necessary rules to implement the competitive grant program under this section, including any additional project eligibility criteria and prioritization criteria.

NEW SECTION. **Sec. 4.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The transit-oriented development housing partnership account is created in the custody of the state treasurer.

(2) Revenues to the account must consist of appropriations by the legislature and any gifts, grants, donations, or other private contribution received by the director for the purposes set forth in subsection (3) of this section.

(3) Expenditures from the account may be used only for administration of the competitive grant program under section 3 of this act, including any technical assistance

provided by the department to eligible entities.

(4) 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.

**Sec. 5.** RCW 36.70A.030 and 2021 c 254 s 6 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed thirty percent of the monthly income of a household whose income is:

(a) For rental housing, ((~~sixty~~))60 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or

(b) For owner-occupied housing, ((~~eighty~~))80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(3) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(4) "City" means any city or town, including a code city.

(5) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(6) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.

(7) "Department" means the department of commerce.

(8) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(9) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.

(10) "Emergency shelter" means a facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.

(11) "Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below ((~~thirty~~))30 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(12) "Floor area ratio" means a measure of transit-oriented development intensity equal to building square footage divided by the developable property square footage. Developable property excludes lots with critical areas or their buffers as designated in RCW 36.70A.060, as well as public facilities including streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

(13) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

((~~(13)~~))(14) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.

((~~(14)~~))(15) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

((~~(15)~~))(16) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

((~~(16)~~))(17) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below ((~~eighty~~))80 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

((~~(17)~~))(18) "Minerals" include gravel, sand, and valuable metallic substances.

((~~(18)~~))(19) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

((~~(19)~~))(20) "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and responsibilities defined in chapter 59.18 RCW.

((~~(20)~~))(21) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

((~~(21)~~))(22) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

((~~(22)~~))(23) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

((~~(23)~~))(24) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

((~~(24)~~))(25) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

((~~(25)~~))(26) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

((~~(26)~~))(27) "Short line railroad" means those railroad lines designated class II or

class III by the United States surface transportation board.

((~~(27)~~))(28)(a) "Station area" means all parcels that are:

(i) Fully within an urban growth area; and

(ii) Fully or partially within:

(A) One-half mile walking distance of a stop on a high capacity transportation system funded or expanded under chapter 81.104 RCW, a commuter rail stop, or a stop on rail or fixed guideway systems, including transitways; and

(B) One-quarter mile walking distance of a stop on a bus rapid transit route.

(b) For the purposes of this subsection, a "stop" includes any existing stop and any stop funded for development prior to the earlier of a city's deadline to complete its next periodic comprehensive plan update under RCW 36.70A.130(5) or its deadline to complete its next implementation progress report as required by RCW 36.70A.130(9).

(c) A city planning under RCW 36.70A.040 may adopt a station area variance to alter the station area designation, but only after consultation with and approval by the department.

(29) "Transit-oriented density" means a floor area ratio of:

(a) At least 3.0 for all uses that are permitted within one-half mile walking distance of a stop on a high capacity transportation system funded or expanded under chapter 81.104 RCW, a commuter rail stop, or a stop on rail or fixed guideway systems, including transitways; and

(b) At least 2.5 for all uses permitted within one-quarter mile walking distance of a stop on a bus rapid transit route.

(30) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

((~~(28)~~))(31) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

((~~(29)~~))(32) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

((~~(30)~~))(33) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below ((~~fifty~~))50 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

((~~(31)~~))(34) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

NEW SECTION. **Sec. 6.** A new section is added to chapter 36.70A RCW to read as follows:

(1) Cities planning under RCW 36.70A.040 may not enact or enforce any development regulation within a station area that would prohibit the siting of multifamily residential housing on parcels where any other residential use is permissible.

(2) Within any station area, any building in which all units are affordable housing for households with incomes at or below 60 percent area median income for at least 50 years or for permanent supportive housing, an additional 1.5 floor area ratio must be permitted. Any floor area within a station area that is reserved for residential units in multifamily housing that includes at least three bedrooms must not be counted toward applicable floor area ratio limits. If a city has enacted or expands a program under RCW 36.70A.540 in an area where development regulations must comply with this section, that program governs to the extent it varies from the requirements of this subsection.

(3)(a) Except as provided in (c) of this subsection, cities planning under RCW 36.70A.040 may not enact any new development regulation that imposes a maximum floor area ratio of less than the applicable transit-oriented density for any use otherwise permitted within a station area.

(b) Cities planning under RCW 36.70A.040 may not enact any new development regulation that imposes a maximum residential density, measured in residential units per acre or other metric of land area within a station area.

(c) As an alternative to (a) of this subsection, cities planning under RCW 36.70A.040 may by ordinance designate parts of a station area in which to enact or enforce floor area ratios that are more or

less than the applicable transit-oriented density, if:

(i) The average maximum floor area ratio of all buildable land within a station area is no less than the applicable transit-oriented density. For purposes of this subsection, "buildable land" excludes lots within critical areas or their buffers as designated in RCW 36.70A.170, as well as public facilities including streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, lands occupied by or easements for domestic water systems and storm and sanitary sewer systems, parks and recreational facilities, and schools; and

(ii) No part of a station area is subject to a maximum floor area ratio that is less than 0.5.

(4) Except in zones authorized by June 30, 2023, for a development capacity greater than or equal to the applicable transit-oriented density, at least 20 percent of all residential units constructed within a station area must be affordable to households with an income at or below 60 percent of area median income for at least 50 years.

(5) Any city planning under RCW 36.70A.040 that has, as of the effective date of this section, enacted any development regulation that imposes within any station area (a) a maximum floor area ratio of less than the applicable transit-oriented density or (b) a maximum residential density measured in residential units per acre or other metric of land area, the city must enforce and apply such development regulation consistent with the requirements of this section.

(6)(a) Except as provided in (b) of this subsection, cities planning under RCW 36.70A.040 may not enforce upon any parcel in a station area any development standard that renders it impracticable on that parcel to build a usable structure for the permitted uses at the (i) applicable transit-oriented density or (ii) applicable floor area ratio imposed under subsection (3)(c) of this section.

(b) This subsection (6) does not apply to development standards contained in a shoreline master program or critical area ordinance, or to any parcel that:

(i) Is nonconforming, legally or otherwise, with applicable local subdivision standards including, but not limited to, standards related to lot width, area, geometry, or street access; or

(ii) Is a designated landmark or within a historic district established under a local preservation ordinance.

(7) Any city subject to the requirements of this section may apply to the department for planning grants and consult with the department for purposes of obtaining technical assistance and compliance review with development regulation adoption, pursuant to RCW 36.70A.500(7).

(8) Nothing in this section requires alteration, displacement, or limitation of industrial uses or industrial areas within the urban growth area.

(9)(a) This section does not limit the amount of affordable housing that a city may require to be provided, either on-site or through an in-lieu payment, pursuant to a program enacted or expanded under RCW 36.70A.540.

(10) A city planning under RCW 36.70A.040 must comply with the requirements of this section, and collaborate with federally recognized tribes in accordance with RCW 36.70A.040(8) regarding such requirements, six months after its next periodic comprehensive plan update required under RCW 36.70A.130, and following the completion or funding of any transit stop that would create a new station area within the jurisdiction, at each implementation progress report required by RCW 36.70A.130(9).

NEW SECTION. **Sec. 7.** A new section is added to chapter 36.70A RCW to read as follows:

(1)(a) The department may approve actions under this section for cities that have, by January 1, 2023, adopted a subarea plan and implementing development regulations that are substantially similar to the requirements of section 6 of this act. In determining whether a city's adopted subarea plan and development regulations are substantially similar, the department's evaluation may include, but not be limited to, if:

(i) The regulations will result in an amount of affordable housing that is at least equivalent to the amount of affordable housing that would result if the specific provisions of section 6 of this act were adopted;

(ii) The jurisdiction offers a way to exceed maximum heights to achieve buildings that exceed 100 feet; and

(iii) New detached single-family residences are prohibited on average within one-quarter mile of light rail stations.

(b) The department must establish by rule any standards or procedures necessary to implement this subsection.

(2) Any local actions approved by the department pursuant to subsection (1) of this section are exempt from appeals under this chapter and chapter 43.21C RCW.

(3) The department's final decision to approve or reject actions by cities under this section may be appealed to the growth management hearings board by filing a petition as provided in RCW 36.70A.290.

(4) In reviewing any petition filed pursuant to subsection (3) of this section, the growth management hearings board shall grant substantial deference to the department's finding of substantial compliance as an agency with expertise.

NEW SECTION. **Sec. 8.** A new section is added to chapter 36.70A RCW to read as follows:

(1) By October 1, 2023, the department must develop, or contract for the development of, a statewide displacement risk map that identifies areas where residents and businesses are at a greater risk of displacement. In completing the risk map, the department may build on existing models for displacement risk assessment that are currently in use for the state.

(2) The department must certify an extension from the requirements in section 6 of this act for areas at risk of displacement as determined by the antidisplacement analysis that a jurisdiction is required to complete under RCW 36.70A.070(2) or by the department or a regional planning authority. The extension may be granted until the city and the department agree on an implementation plan for specific antidisplacement policies. In addition to antidisplacement policies, the city may implement alternative floor area ratio requirements in areas deemed at greater risk of displacement under an antidisplacement analysis.

**Sec. 9.** RCW 36.70A.500 and 2012 1st sp.s. c 1 s 310 are each amended to read as follows:

(1) The department of commerce shall provide management services for the growth management planning and environmental review fund created by RCW 36.70A.490. The department shall establish procedures for fund management. The department shall encourage participation in the grant or loan program by other public agencies. The department shall develop the grant or loan criteria, monitor the grant or loan program, and select grant or loan recipients in consultation with state agencies participating in the grant or loan program through the provision of grant or loan funds or technical assistance.

(2) A grant or loan may be awarded to a county or city that is required to or has chosen to plan under RCW 36.70A.040 and that is qualified pursuant to this section. The grant or loan shall be provided to assist a county or city in paying for the cost of preparing an environmental analysis under chapter 43.21C RCW, that is integrated with a comprehensive plan, subarea plan, plan element, countywide planning policy, development regulation, monitoring program, or other planning activity adopted under or implementing this chapter that:

(a) Improves the process for project permit review while maintaining environmental quality; or

(b) Encourages use of plans and information developed for purposes of complying with this chapter to satisfy requirements of other state programs.

(3) In order to qualify for a grant or loan, a county or city shall:

(a) Demonstrate that it will prepare an environmental analysis pursuant to chapter 43.21C RCW and subsection (2) of this section that is integrated with a comprehensive plan, subarea plan, plan element, countywide planning policy, development regulations, monitoring program, or other planning activity adopted under or implementing this chapter;

(b) Address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits within the geographic area analyzed in the plan;

(c) Demonstrate that procedures for review of development permit applications will be based on the integrated plans and environmental analysis;

(d) Include mechanisms to monitor the consequences of growth as it occurs in the plan area and to use the resulting data to update the plan, policy, or implementing mechanisms and associated environmental analysis;

(e) Demonstrate substantial progress towards compliance with the requirements of this chapter. A county or city that is more than six months out of compliance with a requirement of this chapter is deemed not to be making substantial progress towards compliance; and

(f) Provide local funding, which may include financial participation by the private sector.

(4) In awarding grants or loans, the department shall give preference to proposals that include one or more of the following elements:

(a) Financial participation by the private sector, or a public/private partnering approach;

(b) Identification and monitoring of system capacities for elements of the built environment, and to the extent appropriate, of the natural environment;

(c) Coordination with state, federal, and tribal governments in project review;

(d) Furtherance of important state objectives related to economic development, protection of areas of statewide significance, and siting of essential public facilities;

(e) Programs to improve the efficiency and effectiveness of the permitting process by greater reliance on integrated plans and prospective environmental analysis;

(f) Programs for effective citizen and neighborhood involvement that contribute to greater likelihood that planning decisions can be implemented with community support;

(g) Programs to identify environmental impacts and establish mitigation measures that provide effective means to satisfy concurrency requirements and establish project consistency with the plans; or

(h) Environmental review that addresses the impacts of increased density or intensity of comprehensive plans, subarea plans, or receiving areas designated by a city or town under the regional transfer of development rights program in chapter 43.362 RCW.

(5) If the local funding includes funding provided by other state functional planning programs, including open space planning and watershed or basin planning, the functional plan shall be integrated into and be consistent with the comprehensive plan.

(6) State agencies shall work with grant or loan recipients to facilitate state and local project review processes that will implement the projects receiving grants or loans under this section.

(7)(a) Subject to the availability of amounts appropriated to the growth management planning and environmental review fund established in RCW 36.70A.490, the department may:

(i) Award grants to cities to facilitate transit-oriented development consistent with subsection (8) of this section. Cities may use such grants to pay for the costs

associated with the preparation of state environmental policy act environmental impact statements, planned action ordinances, subarea plans, costs associated with the utilization of other tools under this chapter or the state environmental policy act, and the costs of local code adoption and implementation of such efforts; and

(ii) Provide technical assistance and award planning grants to cities to implement the requirements under section 6 of this act and provide compliance review of any transit-oriented development regulations adopted consistent with section 6 of this act.

(b) Grant awards under (a)(i) of this subsection may only fund efforts that address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits within the geographic area analyzed in the plan.

(8) In consultation with the department of transportation, the department shall prioritize applications for grants under subsection (7)(a)(i) of this section that maximize the following policy objectives in the area covered by a proposal:

(a) The total number of housing units authorized for new development in station areas;

(b) The proximity and quality of transit access in the area. For purposes of this subsection, "transit access" includes walkable access to light rail and other fixed guideway rail systems and bus rapid transit;

(c) Plans that exceed applicable transit-oriented densities for station areas;

(d) Plans that authorize, but do not mandate, ground floor retail with housing above;

(e) Plans in areas that eliminate on-site parking requirements;

(f) Existence or establishment of incentive zoning, inclusionary housing, or other tools to promote low-income housing in the area;

(g) Plans that include dedicated policies to support public or nonprofit funded low-income or workforce housing; and

(h) Plans designed to maximize and increase the variety of allowable housing types and expected sale or rental rates.

**Sec. 10.** RCW 36.70A.620 and 2020 c 173 s 3 are each amended to read as follows:

((~~In counties and cities planning under RCW 36.70A.040, minimum residential parking requirements mandated by municipal zoning ordinances for housing units constructed after July 1, 2019, are subject to the following requirements:~~

~~(1) For housing units that are affordable to very low-income or extremely low-income individuals and that are located within one-quarter mile of a transit stop that receives transit service at least two times per hour for twelve or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or .75 space per unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing for housing for very low-income or extremely low-income individuals. The covenant must address price restrictions and household income limits and policies if the property is converted to a use other than for low-income housing. A city may establish a requirement for the provision of more than one parking space per bedroom or .75 space per unit if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit.~~

~~(2) For housing units that are specifically for seniors or people with disabilities, that are located within one-quarter mile of a transit stop that receives transit service at least four times per hour for twelve or more hours per day, a city may not impose minimum residential parking requirements for the residents of such housing units, subject to the exceptions provided in this subsection. A city may establish parking requirements for staff and visitors of such housing units. A city may establish a requirement for the provision of one or more parking space per bedroom if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing for housing for seniors or people with disabilities.~~

~~(3) For market rate multifamily housing units that are located within one-quarter mile of a transit stop that receives transit service from at least one route that provides service at least four times per hour for twelve or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or .75 space per unit. A city or county may establish a requirement for the provision of more than one parking space per bedroom or .75 space per unit if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit.~~))(1) To encourage transit-oriented development and transit use and resulting substantial environmental benefits, cities planning under RCW 36.70A.040 may not require off-street parking as a condition of permitting development within a station area, except for off-street parking that is permanently marked for the exclusive use of individuals with disabilities.

(2) If a project permit application within a station area, as defined in RCW 36.70B.020, does not provide parking in compliance with this section, the proposed absence of parking may not be treated as a

basis for issuance of a determination of significance pursuant to chapter 43.21C RCW.

(3) The parking provisions of this section do not apply:

(a) If the city submits to the department an empirical study prepared by a credentialed transportation or land use planning expert that clearly demonstrates, and the department finds and certifies, that the application of the parking limitations under subsection (1) of this section in a defined area within a station area will be significantly less safe for vehicle drivers or passengers, pedestrians, or bicyclists than if the jurisdiction's parking requirements were applied to the same location without increased transit-oriented development and density requirements. The department must develop guidance to assist cities and counties on items to include in the study; or

(b) To portions of cities within a one-mile radius of a commercial airport in Washington with at least 9,000,000 annual enplanements.

**Sec. 11.** RCW 43.21C.229 and 2020 c 87 s 1 are each amended to read as follows:

(1) ((~~In order~~))The purpose of this section is to provide cities and counties with additional flexibility to accommodate infill development, as well as to facilitate the timely and certain deployment of sustainable transit-oriented development, and thereby realize the goals and policies of comprehensive plans adopted according to chapter 36.70A RCW((~~, a~~)).

(2) A city or county planning under RCW 36.70A.040 ((~~is authorized by this section to~~))may establish categorical exemptions from the requirements of this chapter((~~. An exemption adopted under this section applies even if it differs from the categorical exemptions adopted by rule of the department under RCW 43.21C.110(1)(a). An exemption may be adopted by a city or county under this section~~)) if it meets the following criteria:

(a) It categorically exempts government action related to development proposed to fill in an urban growth area, designated according to RCW 36.70A.110, where current density and intensity of use in the area is roughly equal to or lower than called for in the goals and policies of the applicable comprehensive plan and the development is either:

(i) Residential development;

(ii) Mixed-use development; or

(iii) Commercial development up to ((~~sixty-five thousand~~))65,000 square feet, excluding retail development;

(b) It does not exempt government action related to development that is inconsistent with the applicable comprehensive plan or would clearly exceed the density or intensity of use called for in the goals and policies of the applicable comprehensive plan;

(c) The local government considers the specific probable adverse environmental impacts of the proposed action and determines that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan, subarea plan element of the comprehensive plan, planned action ordinance, or other local, state, or federal rules or laws; and

(d)(i) The city or county's applicable comprehensive plan was previously subjected to environmental analysis through an environmental impact statement under the requirements of this chapter prior to adoption; or

(ii) The city or county has prepared an environmental impact statement that considers the proposed use or density and intensity of use in the area proposed for an exemption under this ((~~section~~))subsection.

((~~(2) Any~~))(3) Any project action that meets the following criteria is categorically exempt from the requirements of this chapter:

(a) It is related to a proposed development that would fill in a station area as defined in RCW 36.70A.030;

(b) It is related to a proposed:

(i) Multifamily residential development;

(ii) Mixed-use development; or

(iii) Commercial development; and

(c) It is not inconsistent with the applicable comprehensive plan, and does not clearly exceed the density or intensity of use called for in the goals and policies of the applicable comprehensive plan.

(4) Any categorical exemption under this section applies even if it differs from the categorical exemptions adopted by rule of the department of ecology under RCW 43.21C.110(1)(a). However, any categorical exemption ((~~adopted by a city or county~~)) under this section ((~~shall be~~))is subject to the rules of the department adopted according to RCW 43.21C.110(1)(a) that provide exceptions to the use of categorical exemptions adopted by the department.

NEW SECTION. **Sec. 12.** A new section is added to chapter 64.38 RCW to read as follows:

Governing documents created after the effective date of this section and applicable to associations located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transit-oriented density that must be permitted by cities under section 6 of this act or require off-street parking inconsistent or in conflict with RCW 36.70A.620.

NEW SECTION. **Sec. 13.** A new section is added to chapter 64.90 RCW to read as follows:

Declarations and governing documents created after the effective date of this section and applicable to a common interest community located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transit-oriented density that must be permitted by cities under section 6 of this act or require off-street parking inconsistent or in conflict with RCW 36.70A.620.

NEW SECTION. **Sec. 14.** A new section is added to chapter 64.34 RCW to read as follows:

A declaration created after the effective date of this section and applicable to an association located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transit-oriented density that must be permitted by cities under section 6 of this act or require off-street parking inconsistent or in conflict with RCW 36.70A.620.

NEW SECTION. **Sec. 15.** A new section is added to chapter 64.32 RCW to read as follows:

A declaration created after the effective date of this section and applicable to an association of apartment owners located fully or partially within a station area as defined in RCW 36.70A.030 may not prohibit the construction or development of multifamily housing or transit-oriented density that must be permitted by cities under section 6 of this act or require off-street parking inconsistent or in conflict with RCW 36.70A.620."

Correct the title.

Signed by Representatives Peterson, Chair; Alvarado, Vice Chair; Leavitt, Vice Chair; Bateman; Chopp; Entenman; Reed and Taylor.

MINORITY recommendation: Do not pass. Signed by Representatives Klicker, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Hutchins; and Low.

MINORITY recommendation: Without recommendation. Signed by Representative Barkis.

Referred to Committee on Capital Budget

March 28, 2023

E2SSB 5536 Prime Sponsor, Ways & Means: Concerning controlled substances, counterfeit substances, and legend drug possession and treatment. Reported by Committee on Community Safety, Justice, & Reentry

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that substance use disorders are a public health issue. Solutions must not only address criminal legal responses, but must be data-driven and evidence-based, and must represent best practices, working directly with people who use drugs to prevent overdose and infectious disease transmission, and improve the physical, mental, and social well-being of those served. The state must follow principles of harm reduction, comprising practical strategies aimed at reducing negative consequences associated with drug use, including safer use of supplies as well as care settings, staffing, and interactions that are person-centered, supportive, and welcoming.

The legislature finds that the recommendations of the substance use recovery services advisory committee reflect diligent work by individuals with a range of professional and personal experience, who brought that experience to the committee, and whose expertise is reflected in the recommendations.

**Part I - Prohibiting Knowing Possession of a Controlled Substance, Counterfeit Substance, or Legend Drug**

**Sec. 2.** RCW 69.50.4011 and 2003 c 53 s 332 are each amended to read as follows:

(1) Except as authorized by this chapter, it is unlawful for any person to ((~~create, deliver, or possess a counterfeit substance~~)):

(a) Create or deliver a counterfeit substance;

(b) Knowingly possess a counterfeit substance; or

(c) Knowingly possess and use a counterfeit substance in a public place by injection, inhalation, ingestion, or any other means.

(2) Any person who violates subsection (1)(a) of this section with respect to:

(a) A counterfeit substance classified in Schedule I or II which is a narcotic drug, or flunitrazepam classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ((~~ten~~))10 years, fined not more than ((~~twenty-five thousand dollars~~))$25,000, or both;

(b) A counterfeit substance which is methamphetamine, is guilty of a class B felony and upon conviction may be imprisoned for not more than ((~~ten~~))10 years, fined not more than ((~~twenty-five thousand dollars~~)) $25,000, or both;

(c) Any other counterfeit substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(d) A counterfeit substance classified in Schedule IV, except flunitrazepam, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(e) A counterfeit substance classified in Schedule V, is guilty of a class C felony punishable according to chapter 9A.20 RCW.

(3)(a) A violation of subsection (1)(b) or (c) of this section is a misdemeanor. The prosecutor is encouraged to divert such cases for assessment, treatment, or other services.

(b) In lieu of jail booking and referral to the prosecutor, law enforcement is encouraged to offer a referral to assessment and services available under RCW 10.31.110 or other program or entity responsible for receiving referrals in lieu of legal system involvement, which may include, but are not limited to, arrest and jail alternative programs established under RCW 36.28A.450, law enforcement assisted diversion programs established under RCW 71.24.589, and the recovery navigator program established under RCW 71.24.115.

(c) Upon arraignment for a violation of subsection (1)(b) or (c) of this section, the court shall determine whether the defendant has been advised by the defendant's counsel about the pretrial diversion opportunity described in section 10 of this act.

(d) For the purposes of this section, "public place" has the same meaning as defined in RCW 66.04.010, but the exclusions in RCW 66.04.011 do not apply.

**Sec. 3.** RCW 69.50.4013 and 2022 c 16 s 86 are each amended to read as follows:

(1) ((~~It~~))Except as otherwise authorized by this chapter, it is unlawful for any person to:

(a) Knowingly possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her professional practice((~~, or except as otherwise authorized by this chapter~~)); or

(b) Knowingly possess and use a controlled substance in a public place by injection, inhalation, ingestion, or any other means, unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her professional practice.

(2)(a) Except as provided in RCW 69.50.4014 or 69.50.445, ((~~any person who violates this section is guilty of a class C felony punishable under chapter 9A.20 RCW~~))a violation of subsection (1)(a) or (b) of this section is a misdemeanor. The prosecutor is encouraged to divert such cases for assessment, treatment, or other services.

(b) In lieu of jail booking and referral to the prosecutor, law enforcement is encouraged to offer a referral to assessment and services available under RCW 10.31.110 or other program or entity responsible for receiving referrals in lieu of legal system involvement, which may include, but are not limited to, arrest and jail alternative programs established under RCW 36.28A.450, law enforcement assisted diversion programs established under RCW 71.24.589, and the recovery navigator program established under RCW 71.24.115.

(c) Upon arraignment for a violation of subsection (1)(a) or (b) of this section, the court shall determine whether the defendant has been advised by the defendant's counsel about the pretrial diversion opportunity described in section 10 of this act.

(3)(a) The possession, by a person ((~~twenty-one~~))21 years of age or older, of useable cannabis, cannabis concentrates, or cannabis-infused products in amounts that do not exceed those set forth in RCW 69.50.360(3) is not a violation of this section, this chapter, or any other provision of Washington state law.

(b) The possession of cannabis, useable cannabis, cannabis concentrates, and cannabis-infused products being physically transported or delivered within the state, in amounts not exceeding those that may be established under RCW 69.50.385(3), by a licensed employee of a common carrier when performing the duties authorized in accordance with RCW 69.50.382 and 69.50.385, is not a violation of this section, this chapter, or any other provision of Washington state law.

(4)(a) The delivery by a person ((~~twenty-one~~))21 years of age or older to one or more persons ((~~twenty-one~~))21 years of age or older, during a single ((~~twenty-four~~))24 hour period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, of any of the following cannabis products, is not a violation of this section, this chapter, or any other provisions of Washington state law:

(i) One-half ounce of useable cannabis;

(ii) Eight ounces of cannabis-infused product in solid form;

(iii) ((~~Thirty-six~~))36 ounces of cannabis-infused product in liquid form; or

(iv) Three and one-half grams of cannabis concentrates.

(b) The act of delivering cannabis or a cannabis product as authorized under this subsection (4) must meet one of the following requirements:

(i) The delivery must be done in a location outside of the view of general public and in a nonpublic place; or

(ii) The cannabis or cannabis product must be in the original packaging as purchased from the cannabis retailer.

(5) No person under ((~~twenty-one~~))21 years of age may ((~~possess,~~)) manufacture, sell, ((~~or~~)) distribute, or knowingly possess cannabis, cannabis-infused products, or cannabis concentrates, regardless of THC concentration. This does not include qualifying patients with a valid authorization.

(6) The possession by a qualifying patient or designated provider of cannabis concentrates, useable cannabis, cannabis-infused products, or plants in accordance with chapter 69.51A RCW is not a violation of this section, this chapter, or any other provision of Washington state law.

(7) For the purposes of this section, "public place" has the same meaning as defined in RCW 66.04.010, but the exclusions in RCW 66.04.011 do not apply.

**Sec. 4.** RCW 69.50.4014 and 2022 c 16 s 88 are each amended to read as follows:

(1) Except as provided in RCW 69.50.401(2)(c) or as otherwise authorized by this chapter, any person found guilty of knowing possession of ((~~forty~~))40 grams or less of cannabis is guilty of a misdemeanor. The prosecutor is encouraged to divert such cases for assessment, treatment, or other services.

(2) In lieu of jail booking and referral to the prosecutor, law enforcement is encouraged to offer a referral to assessment and services available under RCW 10.31.110 or other program or entity responsible for receiving referrals in lieu of legal system involvement, which may include, but are not limited to, arrest and jail alternative programs established under RCW 36.28A.450, law enforcement assisted diversion programs established under RCW 71.24.589, and the

recovery navigator program established under RCW 71.24.115.

(3) Upon arraignment for violation of this section, the court shall determine whether the defendant has been advised by the defendant's counsel about the pretrial diversion opportunity described in section 10 of this act.

**Sec. 5.** RCW 69.41.030 and 2020 c 80 s 41 are each amended to read as follows:

(1) It shall be unlawful for any person to sell((~~,~~))or deliver any legend drug, or knowingly possess any legend drug, or knowingly possess and use any legend drug in a public place by injection, inhalation, ingestion, or any other means, except upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, a veterinarian under chapter 18.92 RCW, a commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed advanced registered nurse practitioner, a licensed physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.

(2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.

(b) A violation of this section involving knowing possession is a misdemeanor. The prosecutor is encouraged to divert such cases for assessment, treatment, or other services.

(c) A violation of this section involving knowing possession and use in a public place is a misdemeanor. The prosecutor is encouraged to divert such cases for assessment, treatment, or other services.

(d) In lieu of jail booking and referral to the prosecutor for a violation of this section involving knowing possession, or knowing possession and use in a public place, law enforcement is encouraged to offer a referral to assessment and services available under RCW 10.31.110 or other program or entity responsible for receiving referrals in lieu of legal system involvement, which may include, but are not limited to, arrest and jail alternative programs established under RCW 36.28A.450, law enforcement assisted diversion programs established under RCW 71.24.589, and the recovery navigator program established under RCW 71.24.115.

(e) Upon arraignment for a violation of this section involving knowing possession, or knowing possession and use in a public place, the court shall determine whether the defendant has been advised by the defendant's counsel about the pretrial diversion opportunity described in section 10 of this act.

(3) For the purposes of this section, "public place" has the same meaning as defined in RCW 66.04.010, but the exclusions in RCW 66.04.011 do not apply.

**Sec. 6.** RCW 69.50.509 and 1987 c 202 s 228 are each amended to read as follows:

If, upon the sworn complaint of any person, it shall be made to appear to any judge of the superior court, district court, or municipal court that there is probable cause to believe that any controlled substance is being used, manufactured, sold, bartered, exchanged, administered, dispensed, delivered, distributed, produced, knowingly possessed, given away, furnished or otherwise disposed of or kept in violation of the provisions of this chapter, such judge shall, with or without the approval of the prosecuting attorney, issue a warrant directed to any law enforcement officer of the state, commanding him or her to search the premises designated and described in such complaint and warrant, and to seize all controlled substances there found, together with the vessels in which they are contained, and all implements, furniture and fixtures used or kept for the illegal manufacture, sale, barter, exchange, administering, dispensing, delivering,

distributing, producing, possessing, giving away, furnishing or otherwise disposing of such controlled substances, and to safely keep the same, and to make a return of said warrant within three days, showing all acts and things done thereunder, with a particular statement of all articles seized and the name of the person or persons in whose possession the same were found, if any, and if no person be found in the possession of said articles, the returns shall so state. The provisions of RCW 10.31.030 as now or hereafter amended shall apply to actions taken pursuant to this chapter.

NEW SECTION. **Sec. 7.** A new section is added to chapter 43.43 RCW to read as follows:

Subject to the availability of funds appropriated for this specific purpose, the Washington state patrol bureau of forensic laboratory services shall aim to complete the necessary analysis for any evidence submitted for a suspected violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c) within 45 days of receipt of the request for analysis.

The Washington state patrol bureau of forensic laboratory services' failure to comply with this section shall not constitute grounds for dismissal of a criminal charge.

**Part II – Relating to Drug Paraphernalia**

**Sec. 8.** RCW 69.50.4121 and 2022 c 16 s 92 are each amended to read as follows:

(1) Every person who sells ((~~or gives,~~)) or permits to be sold ((~~or given~~)) to any person any drug paraphernalia in any form commits a class I civil infraction under chapter 7.80 RCW. For purposes of this subsection, "drug paraphernalia" means all equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, ((~~testing, analyzing,~~)) packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance other than cannabis. Drug paraphernalia includes, but is not limited to objects used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing cocaine into the human body, such as:

(a) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;

(b) Water pipes;

(c) Carburetion tubes and devices;

(d) Smoking and carburetion masks;

(e) Miniature cocaine spoons and cocaine vials;

(f) Chamber pipes;

(g) Carburetor pipes;

(h) Electric pipes;

(i) Air-driven pipes; and

(j) Ice pipes or chillers.

(2) It shall be no defense to a prosecution for a violation of this section that the person acted, or was believed by the defendant to act, as agent or representative of another.

(3) Nothing in subsection (1) of this section prohibits ((~~legal~~)) distribution ((~~of injection~~))or use of public health supplies including, but not limited to, syringe equipment, smoking equipment, or drug testing equipment, through public health ((~~and~~))programs, community-based HIV prevention programs, outreach, shelter, and housing programs, and pharmacies. Public health and syringe service program staff taking samples of substances and using drug testing equipment for the purpose of analyzing the composition of the substances or detecting the presence of certain substances are acting legally and are exempt from arrest and prosecution under RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c).

NEW SECTION. **Sec. 9.** A new section is added to chapter 69.50 RCW to read as follows:

The state of Washington hereby fully occupies and preempts the entire field of drug paraphernalia regulation within the boundaries of the state including regulation of the use, selling, giving, delivery, and possession of drug paraphernalia. Cities, towns, and counties or other municipalities may enact only those laws and ordinances relating to drug paraphernalia that are specifically authorized by state law and are consistent with this chapter. Such local ordinances must have the same penalty as provided for by state law. Local laws and ordinances that are inconsistent with, more restrictive than, or exceed the requirements of state law may not be enacted and are preempted and repealed, regardless of the nature of the code, charter, or home rule status of such city, town, county, or municipality.

**Part III - Providing Opportunities for Pretrial Diversion and Vacating Convictions**

NEW SECTION. **Sec. 10.** A new section is added to chapter 69.50 RCW to read as follows:

(1) Nothing in this section prevents the defendant, with the consent of the prosecuting attorney as required by RCW 2.30.030, from seeking to resolve charges under RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c) through available therapeutic courts or other alternatives to prosecution. Nothing in this section prevents the defendant or the prosecuting attorney from seeking or agreeing to, or the court from ordering, any other resolution of charges or terms of supervision that suit the circumstances of the defendant's situation and advance stabilization, crime reduction, and justice.

(2) Any defendant charged with a violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b)

or (c) may make a motion to participate in pretrial diversion and agree to waive his or her right to a speedy trial if the motion is granted, subject to the following:

(a) In all cases, the court may not grant the motion unless the prosecuting attorney consents to the defendant's participation in pretrial diversion. The prosecuting attorney is strongly encouraged to agree to diversion in any case where the defendant is only charged with a violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c), and in any case where the only additional charge or charges against the defendant are for other nonfelony offenses.

(b) In any case where the defendant is only charged with a violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c), and the defendant has not been convicted of any offenses committed after the effective date of this section, the court shall grant the motion, continue the hearing, and refer the defendant for an assessment by any substance use disorder treatment program as designated in chapter 71.24 RCW.

(c) In any case where the defendant does not meet the criteria described in (b) of this subsection, the court may grant the motion, continue the hearing, and refer the defendant for an assessment by any substance use disorder treatment program as designated in chapter 71.24 RCW.

(3) Prior to granting the defendant's motion to participate in pretrial diversion under this section, the court shall provide the defendant and the defendant's counsel with the following information:

(a) A full description of the procedures for pretrial diversion;

(b) A general explanation of the roles and authorities of the probation department, the prosecuting attorney, the substance use disorder treatment program, and the court in the process;

(c) A clear statement that the court may grant pretrial diversion with respect to any offense under RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c) that is charged, provided that the defendant pleads not guilty to the charge or charges and waives his or her right to a speedy trial, and that upon the defendant's successful completion of pretrial diversion, as specified in subsection (11)(d) of this section, and motion of the defendant, prosecuting attorney, court, or probation department, the court must dismiss the charge or charges against the defendant;

(d) A clear statement that if the defendant has not made substantial progress with services provided that are appropriate to the defendant's circumstances, the prosecuting attorney may make a motion to terminate pretrial diversion and schedule further proceedings as otherwise provided in this section;

(e) An explanation of criminal record retention and disposition resulting from participation in pretrial diversion and the defendant's rights relative to answering questions about his or her arrest and pretrial diversion following successful completion; and

(f) A clear statement that under federal law it is unlawful for any person who is an unlawful user of or addicted to any controlled substance to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition, or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.

(4)(a) For defendants who participate in pretrial diversion under this section, the state shall make resources available to assist the defendant in scheduling a substance use disorder evaluation or expedited assessment within seven days of the defendant's agreement to participate in pretrial diversion. The substance use evaluation must be provided at no expense to defendants who qualify for public defense services or who are found to be indigent by the court. The evaluation must be provided at a location that is accessible to the defendant. When necessary and to the extent reasonably possible, the court shall provide the defendant with a list of available local resources to assist the defendant with securing transportation to the substance use disorder evaluation. The court may contract with a third party to provide substance use disorder assessments and services, which may be collocated at the court or be provided at alternative locations.

(b) The state shall reimburse local courts for costs associated with the substance use disorder assessments and related travel under this subsection.

(5) The substance use disorder counseling agency completing the assessment must make a written report to the court stating its findings and recommendations after the examination if the defendant decides to continue pursuing pretrial diversion. The report shall be filed under seal with the court, and a copy of the report shall be given to the prosecuting attorney, defendant, and defendant's counsel. The report and its copies are confidential and exempt from disclosure under chapter 42.56 RCW. The court shall endeavor to avoid public discussion of the circumstances, history, or diagnoses that could stigmatize the defendant.

(6) Subject to the availability of funds appropriated for this specific purpose, the assessment and recommended services or treatment must be provided at no cost for individuals who have been found to be indigent by the court.

(7) Once the assessment has been filed with the court, if the report indicates the individual has a substance use disorder, the court shall inform the individual that under federal law the individual may not possess any firearm or ammunition. The court shall thereafter sign an order of ineligibility to possess firearms as required by RCW 9.41.800 and shall require the individual to surrender all firearms in accordance with RCW 9.41.804.

(8) No statement, or any information procured therefrom relating to the charge for which the defendant is receiving treatment or services, made by the defendant to any treatment or service provider, that is made during the course of any assessment

or services provided by the treatment program pursuant to subsections (4) and (5) of this section, and before the reporting of the findings and recommendations to the court, may be admissible in any action or proceeding brought subsequent to the investigation.

(9) A defendant's participation in pretrial diversion under this section does not constitute a conviction, a stipulation to facts, or an admission of guilt for any purpose.

(10) At the time that pretrial diversion is granted, any bail bond on file by or on behalf of the defendant must be exonerated, and the court must enter an order so directing.

(11)(a) If it appears to the prosecuting attorney that the defendant is not meaningfully engaging in the recommended treatment or services, the prosecuting attorney may make a motion for termination from pretrial diversion.

(b) After notice to the defendant, the court must hold a hearing to determine whether pretrial diversion shall be terminated.

(c) If the court finds that the defendant is not meaningfully engaging in the recommended treatment or services, the court must schedule the matter for further proceedings.

(d) If the defendant has successfully completed pretrial diversion, including substantial engagement with assessment recommended treatment, or services, at the end of that period, the charge or charges under RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c) must be dismissed.

NEW SECTION. **Sec. 11.** A new section is added to chapter 69.50 RCW to read as follows:

(1) Prior to sentencing any person convicted of violating RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c), the court shall inform the person that under federal law it is unlawful for any person who is an unlawful user of or addicted to any controlled substance to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition, or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce.

(2) In courts of limited jurisdiction, if an individual who is convicted of a violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c) agrees as a condition of probation to obtain a substance use disorder assessment and participate in any recommended treatment or services, the court shall sentence the individual to a term of confinement of up to 90 days, all of which shall be suspended for a period not to exceed one year.

(3) For individuals sentenced under subsection (2) of this section, if a suspended sentence is imposed, the court may order as a condition of probation the individual to obtain a substance use disorder assessment and participate in any recommended treatment or services.

(a) The state shall assist the defendant in scheduling a substance use disorder evaluation or expedited assessment within seven days of the defendant's agreement to obtain an assessment and participate in any recommended treatment or services. The substance use disorder evaluation shall be provided at no expense to defendants who qualify for public defense services or who are found to be indigent by the court. The evaluation shall be provided at a location that is accessible to the defendant. When necessary and to the extent reasonably possible, the court shall provide the defendant with a list of available local resources to assist the defendant with securing transportation to the substance use disorder evaluation. The court may contract with a third party to provide substance use disorder assessments and services, which may be collocated at the court or be provided at alternative locations. The state shall reimburse local courts for costs associated with the substance use disorder assessments under this subsection.

(b) A substance use disorder assessment shall be prepared by a substance use disorder services or counseling program licensed or certified by the department of health. A copy of the report shall be forwarded to the court and filed under seal. Based on the assessment, the court shall determine whether the person shall be required to complete a course in an alcohol and drug information school licensed or certified by the department of health or more sustained services provided by a licensed behavioral health care provider, peer counseling program, or other case management program.

(c) Once the assessment has been filed with the court, if the report indicates the individual has a substance use disorder, the court shall inform the individual that under federal law the individual may not possess any firearm or ammunition. The court shall thereafter sign an order of ineligibility to possess firearms as required by RCW 9.41.800.

(d) The assessment shall include the following:

(i) Available background on the defendant's circumstances, barriers, and past service history, if any;

(ii) Nature of barriers and challenges;

(iii) Recommendations for services available in the individual's community that are likely to work with the individual and provide relevant support;

(iv) A statement of unavailability if there are no known suitable services presently available in the individual's community that would meaningfully assist the individual; and

(v) Approximate cost of the services if not publicly provided.

(4) A person subject to substance use disorder assessment and treatment or services shall be required by the court to complete a course in an alcohol and drug information school certified by the department of health or to more sustained services provided by a licensed behavioral health care provider, peer counseling

program, or other case management program, as determined by the court.

(5) All individuals providing assessments under this section shall implement the integrated and comprehensive screening and assessment process for co-occurring substance use and mental health disorders adopted under RCW 71.24.630.

(6) If the court directs a service plan after receiving an individual's assessment, the court shall confirm with the individual's indicated service provider that the service provider consents to providing the court with occasional updates on the individual's progress on a schedule acceptable to the court. The updates must be provided at least monthly.

(7) Subject to the availability of funds appropriated for this purpose, the substance use disorder assessment and recommended treatment or services as ordered by the court shall be provided at no cost for sentenced individuals who have been found to be indigent by the court.

(8) As a condition of probation, the sentenced individual must meaningfully engage with the treatment or services recommendations of the substance use disorder assessment.

(9)(a) If it appears to the prosecuting attorney that the sentenced individual is not meaningfully engaging in the recommended treatment or services, the prosecuting attorney shall make a motion for a hearing to consider sanctions. After notice to the sentenced individual, the court shall hold a hearing to determine if a sanction or revocation of the individual's suspended sentence, or any part thereof, is warranted under RCW 3.50.340 or 3.66.069.

(b) The court may not sanction an individual for failing to comply with the recommended treatment or services if the court finds the sentenced individual has made reasonable efforts to comply with the recommended treatment but cannot comply either due to a lack of available treatment or services or, for sentenced individuals found to be indigent by the court, due to a lack of funding for treatment or services.

(c) At the hearing, if the court finds by a preponderance of the evidence that the sentenced individual has willfully abandoned or demonstrated a consistent failure to meaningfully participate in the recommended treatment or services, the court shall use its discretion in determining an appropriate sanction.

(10) If the individual has successfully completed the recommended treatment or services, the individual must file proof of successful completion with the court. Upon verification that the individual successfully completed the recommended treatment or services, the court must terminate probation and enter an order vacating the individual's conviction.

**Sec. 12.** RCW 9.96.060 and 2022 c 16 s 7 are each amended to read as follows:

(1) When vacating a conviction under this section, the court effectuates the vacation by: (a)(i) Permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or (ii) if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and (b) the court dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

(2) Every person convicted of a misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the requirements of this subsection, the court may in its discretion vacate the record of conviction. Except as provided in subsections (3), (4), ((~~and~~)) (5)<u>, and (6)</u> of this section, an applicant may not have the record of conviction for a misdemeanor or gross misdemeanor offense vacated if any one of the following is present:

(a) The applicant has not completed all of the terms of the sentence for the offense;

(b) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal or tribal court, at the time of application;

(c) The offense was a violent offense as defined in RCW 9.94A.030 or an attempt to commit a violent offense;

(d) The offense was a violation of RCW 46.61.502 (driving while under the influence), 46.61.504 (actual physical control while under the influence), 9.91.020 (operating a railroad, etc. while intoxicated), or the offense is considered a "prior offense" under RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug violation within ten years of the date of arrest for the prior offense or less than ten years has elapsed since the date of the arrest for the prior offense;

(e) The offense was any misdemeanor or gross misdemeanor violation, including attempt, of chapter 9.68 RCW (obscenity and pornography), chapter 9.68A RCW (sexual exploitation of children), or chapter 9A.44 RCW (sex offenses), except for failure to register as a sex offender under RCW 9A.44.132;

(f) The applicant was convicted of a misdemeanor or gross misdemeanor offense as defined in RCW 10.99.020, or the court determines after a review of the court file that the offense was committed by one family or household member against another or by one intimate partner against another, or the court, after considering the damage to person or property that resulted in the conviction, any prior convictions for crimes defined in RCW 10.99.020, or for comparable offenses in another state or in federal court, and the totality of the records under review by the court regarding the conviction being considered for vacation, determines that the offense involved domestic violence, and any one of the following factors exist:

(i) The applicant has not provided written notification of the vacation petition to the prosecuting attorney's office that prosecuted the offense for which vacation is sought, or has not provided that notification to the court;

(ii) The applicant has two or more domestic violence convictions stemming from

different incidents. For purposes of this subsection, however, if the current application is for more than one conviction that arose out of a single incident, none of those convictions counts as a previous conviction;

(iii) The applicant has signed an affidavit under penalty of perjury affirming that the applicant has not previously had a conviction for a domestic violence offense, and a criminal history check reveals that the applicant has had such a conviction; or

(iv) Less than five years have elapsed since the person completed the terms of the original conditions of the sentence, including any financial obligations and successful completion of any treatment ordered as a condition of sentencing;

(g) For any offense other than those described in (f) of this subsection, less than three years have passed since the person completed the terms of the sentence, including any financial obligations;

(h) The offender has been convicted of a new crime in this state, another state, or federal or tribal court in the three years prior to the vacation application; or

(i) The applicant is currently restrained by a domestic violence protection order, a no-contact order, an antiharassment order, or a civil restraining order which restrains one party from contacting the other party or was previously restrained by such an order and was found to have committed one or more violations of the order in the five years prior to the vacation application.

(3) If the applicant is a victim of sex trafficking, prostitution, or commercial sexual abuse of a minor; sexual assault; or domestic violence as defined in RCW 9.94A.030, or the prosecutor applies on behalf of the state, the sentencing court may vacate the record of conviction if the application satisfies the requirements of RCW 9.96.080. When preparing or filing the petition, the prosecutor is not deemed to be providing legal advice or legal assistance on behalf of the victim, but is fulfilling an administrative function on behalf of the state in order to further their responsibility to seek to reform and improve the administration of criminal justice. A record of conviction vacated using the process in RCW 9.96.080 is subject to subsections ((~~(6) and~~)) (7) and (8) of this section.

(4) Every person convicted prior to January 1, 1975, of violating any statute or rule regarding the regulation of fishing activities, including, but not limited to, RCW 75.08.260, 75.12.060, 75.12.070, 75.12.160, 77.16.020, 77.16.030, 77.16.040, 77.16.060, and 77.16.240 who claimed to be exercising a treaty Indian fishing right, may apply to the sentencing court for vacation of the applicant's record of the misdemeanor, gross misdemeanor, or felony conviction for the offense. If the person is deceased, a member of the person's family or an official representative of the tribe of which the person was a member may apply to the court on behalf of the deceased person. Notwithstanding the requirements of RCW 9.94A.640, the court shall vacate the record of conviction if:

(a) The applicant is a member of a tribe that may exercise treaty Indian fishing rights at the location where the offense occurred; and

(b) The state has been enjoined from taking enforcement action of the statute or rule to the extent that it interferes with a treaty Indian fishing right as determined under *United States v. Washington*, 384 F. Supp. 312 (W.D. Wash. 1974), or *Sohappy v. Smith*, 302 F. Supp. 899 (D. Oregon 1969), and any posttrial orders of those courts, or any other state supreme court or federal court decision.

(5) Every person convicted of a misdemeanor cannabis offense, who was ((~~twenty-one~~))21 years of age or older at the time of the offense, may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. A misdemeanor cannabis offense includes, but is not limited to: Any offense under RCW 69.50.4014, from July 1, 2004, onward, and its predecessor statutes, including RCW 69.50.401(e), from March 21, 1979, to July 1, 2004, and RCW 69.50.401(d), from May 21, 1971, to March 21, 1979, and any offense under an equivalent municipal ordinance. If an applicant qualifies under this subsection, the court shall vacate the record of conviction.

(6) If an individual convicted of a violation or violations of RCW 69.50.4011(1)(b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2)(b) or (c) successfully completes a substance use disorder treatment or services program and files proof of completion with the court, the prosecutor shall make a motion to vacate the individual's conviction or convictions. Upon verification that the individual successfully completed the substance use disorder treatment program, the court shall grant the motion and vacate the conviction or convictions.

(7) A person who is a family member of a homicide victim may apply to the sentencing court on the behalf of the victim for vacation of the victim's record of conviction for prostitution under RCW 9A.88.030. If an applicant qualifies under this subsection, the court shall vacate the victim's record of conviction.

((~~(7)~~))(8)(a) Except as provided in (c) of this subsection, once the court vacates a record of conviction under this section, the person shall be released from all penalties and disabilities resulting from the offense and the fact that the person has been convicted of the offense shall not be included in the person's criminal history for purposes of determining a sentence in any subsequent conviction. For all purposes, including responding to questions on employment or housing applications, a person whose conviction has been vacated under this section may state that he or she has never been convicted of that crime. However, nothing in this section affects the requirements for restoring a right to possess a firearm under RCW 9.41.040. Except as provided in (b) of this subsection, nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

(b) When a court vacates a record of domestic violence as defined in RCW 10.99.020 under this section, the state may not use the vacated conviction in a later criminal prosecution unless the conviction was for: (i) Violating the provisions of a restraining order, no-contact order, or protection order restraining or enjoining the person or restraining the person from going on to the grounds of or entering a residence, workplace, school, or day care, or prohibiting the person from knowingly coming within, or knowingly remaining within, a specified distance of a location, a protected party's person, or a protected party's vehicle (RCW 10.99.040, 10.99.050, 26.09.300, 26.26B.050, 26.44.063, 26.44.150, or 26.52.070, or any of the former RCW 26.50.060, 26.50.070, 26.50.130, and 74.34.145); (ii) stalking (RCW 9A.46.110); or (iii) a domestic violence protection order or vulnerable adult protection order entered under chapter 7.105 RCW. A vacated conviction under this section is not considered a conviction of such an offense for the purposes of 27 C.F.R. 478.11.

(c) A conviction vacated on or after July 28, 2019, qualifies as a prior conviction for the purpose of charging a present recidivist offense as defined in RCW 9.94A.030 occurring on or after July 28, 2019.

((~~(8)~~)) (9) The clerk of the court in which the vacation order is entered shall immediately transmit the order vacating the conviction to the Washington state patrol identification section and to the local police agency, if any, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol and any such local police agency shall immediately update their records to reflect the vacation of the conviction, and shall transmit the order vacating the conviction to the federal bureau of investigation. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies.

((~~(9)~~)) (10) For the purposes of this section, "cannabis" has the meaning provided in RCW 69.50.101.

NEW SECTION. **Sec. 13.** A new section is added to chapter 2.56 RCW to read as follows:

(1) The administrative office of the courts shall collect data and information related to the utilization and outcomes of pretrial diversions pursuant to section 10 of this act, convictions pursuant to section 11 of this act, and motions for vacating convictions pursuant to RCW 9.96.060(6), including but not limited to the following:

(a) The recidivism rate for persons who either participated in a pretrial diversion pursuant to section 10 of this act, or who were sentenced pursuant to section 11 of this act and agreed as a condition of probation to obtain a substance use disorder assessment and participate in recommended treatment or services;

(b) The number of pretrial diversions offered pursuant to section 10 of this act and whether such diversions were terminated, were successfully completed and resulted in a dismissal, or are still ongoing;

(c) Aggregated and disaggregated demographic data for pretrial diversions pursuant to section 10 of this act, that identifies trends or disparities in utilization or outcomes based on race, ethnicity, gender, gender expression or identity, disability status, age, and any other appropriate characteristics as determined by the administrative office of the courts;

(d) Statistical data comparing the relative utilization and outcomes of pretrial diversions pursuant to section 10 of this act in specific courts and in different regions of Washington;

(e) The number of people convicted of a violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c);

(f) The number of people sentenced pursuant to section 11 of this act who agreed as a condition of probation to obtain a substance use disorder assessment and participate in recommended treatment or services;

(g) Aggregated and disaggregated demographic data for people convicted of a violation of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, or 69.41.030(2) (b) or (c), that identifies trends or disparities in sentencing for and vacating of such convictions based on race, ethnicity, gender, gender expression or identity, disability status, age, and any other appropriate characteristics as determined by the administrative office of the courts; and

(h) Statistical data comparing the sentences imposed pursuant to section 11 of this act, and the convictions vacated pursuant to RCW 9.96.060(6), in specific courts and in different regions of Washington.

(2) The administrative office of the courts shall, in cooperation with the Washington state patrol and the Washington association of sheriffs and police chiefs, collect data and information related to reported violations of RCW 69.50.4011(1) (b) or (c), 69.50.4013, 69.50.4014, and 69.41.030(2) (b) or (c) responded to by law enforcement, including but not limited to the following:

(a) Whether such violations were deferred to treatment in lieu of further legal system involvement, or referred to the prosecuting attorney for potential charges;

(b) The number of such violations involving repeat offenders; and

(c) The number of such violations involving persons who previously participated in pretrial diversion pursuant to section 10 of this act, or who were previously sentenced pursuant to section 11 of this act and agreed as a condition of probation to obtain a substance use disorder assessment and participate in recommended treatment or services.

(3) Beginning August 1, 2024, and on August 1st of every year thereafter, the administrative office of the courts shall

submit an annual report to the legislature containing the data and information described in subsections (1) and (2) of this section.

**Part IV - Opioid Treatment Rural Access and Expansion**

**Sec. 14.** RCW 36.70A.200 and 2021 c 265 s 2 are each amended to read as follows:

(1)(a) The comprehensive plan of each county and city that is planning under RCW 36.70A.040 shall include a process for identifying and siting essential public facilities. Essential public facilities include those facilities that are typically difficult to site, such as airports, state education facilities and state or regional transportation facilities as defined in RCW 47.06.140, regional transit authority facilities as defined in RCW 81.112.020, state and local correctional facilities, solid waste handling facilities, opioid treatment programs including both mobile and fixed-site medication units, recovery residences, harm reduction programs excluding safe injection sites, and inpatient facilities including substance ((~~abuse~~))use disorder treatment facilities, mental health facilities, group homes, community facilities as defined in RCW 72.05.020, and secure community transition facilities as defined in RCW 71.09.020.

(b) Unless a facility is expressly listed in (a) of this subsection, essential public facilities do not include facilities that are operated by a private entity in which persons are detained in custody under process of law pending the outcome of legal proceedings but are not used for punishment, correction, counseling, or rehabilitation following the conviction of a criminal offense. Facilities included under this subsection (1)(b) shall not include facilities detaining persons under RCW 71.09.020 ((~~(6) or (15)~~))(7) or (16) or chapter 10.77 or 71.05 RCW.

(c) The department of children, youth, and families may not attempt to site new community facilities as defined in RCW 72.05.020 east of the crest of the Cascade mountain range unless there is an equal or greater number of sited community facilities as defined in RCW 72.05.020 on the western side of the crest of the Cascade mountain range.

(d) For the purpose of this section, "harm reduction programs" means programs that emphasize working directly with people who use drugs to prevent overdose and infectious disease transmission, improve the physical, mental, and social well-being of those served, and offer low threshold options for accessing substance use disorder treatment and other services.

(2) Each county and city planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process, or amend its existing process, for identifying and siting essential public facilities and adopt or amend its development regulations as necessary to provide for the siting of secure community transition facilities consistent with statutory requirements applicable to these facilities.

(3) Any city or county not planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process for siting secure community transition facilities and adopt or amend its development regulations as necessary to provide for the siting of such facilities consistent with statutory requirements applicable to these facilities.

(4) The office of financial management shall maintain a list of those essential state public facilities that are required or likely to be built within the next six years. The office of financial management may at any time add facilities to the list.

(5) No local comprehensive plan or development regulation may preclude the siting of essential public facilities.

(6) No person may bring a cause of action for civil damages based on the good faith actions of any county or city to provide for the siting of secure community transition facilities in accordance with this section and with the requirements of chapter 12, Laws of 2001 2nd sp. sess. For purposes of this subsection, "person" includes, but is not limited to, any individual, agency as defined in RCW 42.17A.005, corporation, partnership, association, and limited liability entity.

(7) Counties or cities siting facilities pursuant to subsection (2) or (3) of this section shall comply with RCW 71.09.341.

(8) The failure of a county or city to act by the deadlines established in subsections (2) and (3) of this section is not:

(a) A condition that would disqualify the county or city for grants, loans, or pledges under RCW 43.155.070 or 70A.135.070;

(b) A consideration for grants or loans provided under RCW 43.17.250(3); or

(c) A basis for any petition under RCW 36.70A.280 or for any private cause of action.

**Sec. 15.** RCW 71.24.589 and 2019 c 314 s 29 are each amended to read as follows:

(1) Subject to funds appropriated by the legislature, the authority shall ((~~implement a pilot project~~))administer a grant program for law enforcement assisted diversion which shall adhere to law enforcement assisted diversion core principles recognized by the law enforcement assisted diversion national support bureau, the efficacy of which have been demonstrated in peer-reviewed research studies.

(2) ((~~Under the pilot project, the~~))The authority must partner with the law enforcement assisted diversion national support bureau to award ((~~a contract~~))contracts, subject to appropriation, for ((~~two or more geographic areas~~))jurisdictions in the state of Washington for law enforcement assisted diversion. Cities, counties, and tribes ((~~may compete for participation in a pilot project~~)), subdivisions thereof, public development authorities, and community-based organizations demonstrating support from necessary public partners, may serve as the lead agency applying for funding. Funds may be used to scale existing projects, and to

invite additional jurisdictions to launch law enforcement assisted diversion programs.

(3) The ((~~pilot projects~~))program must provide for securing comprehensive technical assistance from law enforcement assisted diversion implementation experts to develop and implement a law enforcement assisted diversion program ((~~in the pilot project's geographic areas~~)) in a way that ensures fidelity to the research-based law enforcement assisted diversion model. Sufficient funds must be allocated from grant program funds to secure technical assistance for the authority and for the implementing jurisdictions.

(4) The key elements of a law enforcement assisted diversion ((~~pilot project~~))program must include:

(a) Long-term case management for individuals with substance use disorders;

(b) Facilitation and coordination with community resources focusing on overdose prevention;

(c) Facilitation and coordination with community resources focused on the prevention of infectious disease transmission;

(d) Facilitation and coordination with community resources providing physical and behavioral health services;

(e) Facilitation and coordination with community resources providing medications for the treatment of substance use disorders;

(f) Facilitation and coordination with community resources focusing on housing, employment, and public assistance;

(g) ((~~Twenty-four~~))24 hours per day and seven days per week response to law enforcement for arrest diversions; and

(h) Prosecutorial support for diversion services.

(5) No civil liability may be imposed by any court on the state or its officers or employees, an appointed or elected official, public employee, public agency as defined in RCW 4.24.470, combination of units of government and its employees as provided in RCW 36.28A.010, nonprofit community-based organization, tribal government entity, tribal organization, or urban Indian organization, based on the administration of a law enforcement assisted diversion program or activities carried out within the purview of a grant received under this program except upon proof of bad faith or gross negligence.

**Sec. 16.** RCW 71.24.590 and 2019 c 314 s 30 are each amended to read as follows:

(1) When making a decision on an application for licensing or certification of ((~~a~~))an opioid treatment program, the department shall:

(a) Consult with the county legislative authorities in the area in which an applicant proposes to locate a program and the city legislative authority in any city in which an applicant proposes to locate a program;

(b) License or certify only programs that will be sited in accordance with the appropriate county or city land use ordinances. Counties and cities may require conditional use permits with reasonable conditions for the siting of programs only to the extent that such reasonable conditional use requirements applied to opioid treatment programs are similarly applied to other essential public facilities and health care settings. Pursuant to RCW 36.70A.200, no local comprehensive plan or development regulation may preclude the siting of essential public facilities;

(c) Not discriminate in its licensing or certification decision on the basis of the corporate structure of the applicant;

(d) Consider the size of the population in need of treatment in the area in which the program would be located and license or certify only applicants whose programs meet the necessary treatment needs of that population;

(e) Consider the availability of other certified opioid treatment programs near the area in which the applicant proposes to locate the program;

(f) Consider the transportation systems that would provide service to the program and whether the systems will provide reasonable opportunities to access the program for persons in need of treatment;

(g) Consider whether the applicant has, or has demonstrated in the past, the capability to provide the appropriate services to assist the persons who utilize the program in meeting goals established by the legislature in RCW 71.24.585. The department shall prioritize licensing or certification to applicants who have demonstrated such capability and are able to measure their success in meeting such outcomes((~~;~~

~~(h) Hold one public hearing in the community in which the facility is proposed to be located. The hearing shall be held at a time and location that are most likely to permit the largest number of interested persons to attend and present testimony. The department shall notify all appropriate media outlets of the time, date, and location of the hearing at least three weeks in advance of the hearing~~)).

(2) ((~~A~~))No city or county legislative authority may impose a maximum capacity for ((~~a~~))an opioid treatment program ((~~of not less than three hundred fifty participants if necessary to address specific local conditions cited by the county~~)).

(3) A program applying for licensing or certification from the department and a program applying for a contract from a state agency that has been denied the licensing or certification or contract shall be provided with a written notice specifying the rationale and reasons for the denial.

(4) Opioid treatment programs may order, possess, dispense, and administer medications approved by the United States food and drug administration for the treatment of opioid use disorder, alcohol use disorder, tobacco use disorder, and reversal of opioid overdose. For an opioid treatment program to order, possess, and dispense any other legend drug, including controlled substances, the opioid treatment program must obtain additional licensure as required by the department, except for patient-owned medications.

(5) Opioid treatment programs may accept, possess, and administer patient-owned medications.

(6) Registered nurses and licensed practical nurses may dispense up to a ((~~thirty-one~~))31 day supply of medications approved by the United States food and drug administration for the treatment of opioid use disorder to patients of the opioid treatment program, under an order or prescription and in compliance with 42 C.F.R. Sec. 8.12.

(7) For the purpose of this chapter, "opioid treatment program" means a program that:

(a) Engages in the treatment of opioid use disorder with medications approved by the United States food and drug administration for the treatment of opioid use disorder and reversal of opioid overdose, including methadone; and

(b) Provides a comprehensive range of medical and rehabilitative services.

(8) A mobile or fixed-site medication unit may be established as part of a licensed opioid treatment program.

NEW SECTION. **Sec. 17.** A new section is added to chapter 43.330 RCW to read as follows:

(1) Subject to funds appropriated for this specific purpose, a program is established in the department to fund the construction costs necessary to start up substance use disorder treatment and services programs in regions of the state that currently lack access to such programs.

(2) This funding must be used to increase the number of substance use disorder treatment and services programs in underserved areas such as central and eastern Washington and rural areas.

NEW SECTION. **Sec. 18.** RCW 10.31.115 (Drug possession—Referral to assessment and services) and 2021 c 311 s 13 are each repealed.

**Part V – Funding, Promotion, and Training for Recovery Residences**

NEW SECTION. **Sec. 19.** A new section is added to chapter 71.24 RCW to read as follows:

Subject to the availability of funds appropriated for this specific purpose, the authority shall:

(1) Make sufficient funding available to support establishment of an adequate and equitable stock of recovery residences in each region of the state, including by expansion of a revolving fund program to make loans or grants available for recovery residence operators to use for necessary capital expenses;

(2) Establish a voucher program to allow accredited recovery housing operators to hold bed space for individuals who are waiting for treatment or who have returned to use and need a place to stay while negotiating a return to stable housing;

(3) Conduct outreach to underserved and rural areas to support the development of recovery housing, including adequate resources for women, LGBTQIA+ communities, and youth; and

(4) Develop a training for housing providers by January 1, 2024, to assist them with providing appropriate service to LGBTQIA+ communities, including consideration of topics like harassment, communication, antiracism, diversity, and gender affirming behavior, and ensure applicants for grants or loans related to recovery residences receive access to the training.

**Sec. 20.** RCW 84.36.043 and 1998 c 174 s 1 are each amended to read as follows:

(1) The real and personal property used by a nonprofit organization in providing emergency or transitional housing for low-income homeless persons as defined in RCW 35.21.685 or 36.32.415 or victims of domestic violence who are homeless for personal safety reasons is exempt from taxation if:

(a) The charge, if any, for the housing does not exceed the actual cost of operating and maintaining the housing; and

(b)(i) The property is owned by the nonprofit organization; or

(ii) The property is rented or leased by the nonprofit organization and the benefit of the exemption inures to the nonprofit organization.

(2) The real and personal property used by a nonprofit organization in maintaining an approved recovery residence registered under RCW 41.05.760 is exempt from taxation if:

(a) The charge for the housing does not exceed the actual cost of operating and maintaining the housing; and

(b)(i) The property is owned by the nonprofit organization; or

(ii) The property is rented or leased by the nonprofit organization and the benefit of the exemption inures to the nonprofit organization.

(3) As used in this section:

(a) "Homeless" means persons, including families, who, on one particular day or night, do not have decent and safe shelter nor sufficient funds to purchase or rent a place to stay.

(b) "Emergency housing" means a project that provides housing and supportive services to homeless persons or families for up to sixty days.

(c) "Transitional housing" means a project that provides housing and supportive services to homeless persons or families for up to two years and that has as its purpose facilitating the movement of homeless persons and families into independent living.

((~~(3)~~))(d) "Recovery residence" has the same meaning as under RCW 41.05.760.

(4) The exemption in subsection (2) of this section applies to taxes levied for collection in calendar years 2024 through 2033.

(5) This exemption is subject to the administrative provisions contained in RCW 84.36.800 through 84.36.865.

NEW SECTION. **Sec. 21.** (1) This section is the tax preference performance statement for the tax preference contained in section 20, chapter . . ., Laws of 2023 (section 20 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(3) By exempting property used by nonprofit organizations maintaining approved recovery residences, it is the legislature's specific public policy objective to maximize funding for recovery residences to the extent possible, thereby increasing availability of such residences.

(4) To measure the effectiveness of the tax exemption provided in section 20 of this act in achieving the specific public policy objectives described in subsection (3) of this section, the joint legislative audit and review committee must evaluate:

(a) Annual changes in the total number of parcels qualifying for the exemption under section 20 of this act;

(b) The amount of annual property tax relief resulting from the tax exemption under section 20 of this act;

(c) The average annual number of people housed at recovery residences located on property qualifying for the exemption under section 20 of this act;

(d) The annualized amount charged for housing at recovery residences located on property qualifying for the exemption under section 20 of this act and the annualized estimated increase in the charge for housing if the properties had not been eligible for the exemption; and

(e) The annual amount of expenditures by nonprofits to maintain recovery residences located on property qualifying for the exemption under section 20 of this act.

(5) The legislature intends to extend the expiration date of the property tax exemption under section 20 of this act if the review by the joint legislative audit and review committee finds that:

(a) The number of properties qualifying for the exemption under section 20 of this act has increased;

(b) The number of individuals using recovery housing located on property qualifying for the exemption under section 20 of this act has increased; and

(c) The amount charged for recovery housing is reasonably consistent with the actual cost of operating and maintaining the housing.

(6) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to:

(a) Initial applications for the tax exemption under section 20 of this act as approved by the department of revenue under RCW 84.36.815;

(b) Annual financial statements prepared by nonprofit entities claiming the tax exemption under section 20 of this act;

(c) Filings with the federal government to maintain federal tax exempt status by nonprofit organizations claiming the tax exemption under section 20 of this act; and

(d) Any other data necessary for the evaluation under subsection (4) of this section.

**Part VI – Training for Parents of Children with Substance Use Disorder and Caseworkers Within the Department of Children, Youth, and Families**

NEW SECTION. **Sec. 22.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority, in consultation with the department of children, youth, and families, shall develop a training for parents of children and transition age youth with substance use disorders by June 30, 2024, addressing the following:

(a) Science and education related to substance use disorders;

(b) Adaptive and functional communication strategies for communication with a loved one about their substance use disorder, including positive communication skills and strategies to influence motivation and behavioral change;

(c) Self-care and means of obtaining support; and

(d) Means to obtain opioid overdose reversal medication when appropriate and instruction on proper use.

(2) The authority and the department of children, youth, and families shall make this training publicly available, and the department of children, youth, and families must promote the training to licensed foster parents and caregivers, including any tribally licensed foster parents and tribal caregivers.

NEW SECTION. **Sec. 23.** A new section is added to chapter 43.216 RCW to read as follows:

The department must make opioid overdose reversal medication available for use by caseworkers or employees that may come in contact with individuals experiencing overdose and must make appropriate training available.

**Part VII – Data Support for Recovery Navigator Programs**

NEW SECTION. **Sec. 24.** To support recovery navigator programs, the health care authority must develop and implement a data integration platform by June 30, 2024, to serve as a common database available for diversion efforts across the state, to serve as a data collection and management tool for practitioners, and to assist in standardizing definitions and practices. If possible, the health care authority must leverage and interact with existing platforms already in use in efforts funded

by the authority. The health care authority must establish a quality assurance process for behavioral health administrative services organizations, and employ data validation for fields in the data collection workbook. The health care authority must engage and consult with the law enforcement assisted diversion national support bureau on data integration approaches, platforms, quality assurance protocols, and validation practices.

NEW SECTION. **Sec. 25.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority shall contract with the Washington state institute for public policy to conduct a study of the long-term effectiveness of the recovery navigator program under RCW 71.24.115 with reports due by June 30th in the years 2028, 2033, and 2038. The Washington state institute for public policy shall collaborate with the authority, the law enforcement assisted diversion national support bureau, and the substance use recovery services advisory committee under RCW 71.24.546 on the topic of data collection and to determine the parameters of the report, which shall include recommendations, if any, for modification and improvement of the recovery navigator program. The law enforcement assisted diversion national support bureau may supplement the report with additional recommendations to improve the recovery navigator program by enhancing its ability to provide a viable, accepted, community-based care alternative to jail and prosecution. The authority shall cooperate with the Washington state institute for public policy to provide data for this report.

(2) The authority shall establish an expedited preapproval process by August 1, 2023, which allows requests for the use of data to be forwarded to the Washington state institutional review board without delay when the request is made by the Washington state institute for public policy for the purpose of completing a study that has been directed by the legislature.

**Part VIII - Establishing Rules and Payment Structures for Health Engagement Hubs**

NEW SECTION. **Sec. 26.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority shall develop payment structures for health engagement hubs by January 1, 2025.

(2) A health engagement hub:

(a) Serves as an all-in-one location where people who use drugs can access a range of medical, harm reduction, treatment, and social services. A health engagement hub may not provide supervised injection services;

(b) May be affiliated with existing syringe service programs, federally qualified health centers, community health centers, overdose prevention sites, safe consumption sites, patient-centered medical homes, tribal behavioral health programs, peer run organizations such as clubhouses, services for unhoused people, supportive housing, and opioid treatment programs including mobile and fixed-site medication units established under an opioid treatment program, or other appropriate entity;

(c) Provides referrals or access to methadone and other medications for opioid addiction;

(d) Functions as a patient-centered medical home by offering high-quality, cost-effective patient-centered care, including wound care;

(e) Provides harm reduction services and supplies;

(f) Provides linkage to housing, transportation, and other support services; and

(g) Is open to youth as well as adults.

(3) To the extent allowed under federal law, the authority shall direct medicaid managed care organizations to adopt a value-based bundled payment methodology in contracts with health engagement hubs and other opioid treatment providers.

(4) The authority shall make sufficient funding available to ensure that a health engagement hub is available within a two-hour drive for all communities and that there is at least one health engagement hub available per 200,000 residents in Washington state.

**Part IX - Education and Employment Pathways**

NEW SECTION. **Sec. 27.** A new section is added to chapter 71.24 RCW to read as follows:

Subject to funding provided for this specific purpose, the authority shall establish a grant program for providers of employment, education, training, certification, and other supportive programs designed to provide persons recovering from a substance use disorder with employment opportunities. The grant program shall employ a low-barrier application and give priority to programs that engage with black, indigenous, persons of color, and other historically underserved communities.

**Part X - Providing a Statewide Directory of Recovery Services**

NEW SECTION. **Sec. 28.** A new section is added to chapter 71.24 RCW to read as follows:

Subject to funding provided for this specific purpose, the authority must collaborate with the department and the department of social and health services to expand the Washington recovery helpline and the recovery readiness asset tool to provide a dynamically updated statewide behavioral health treatment and recovery support services mapping tool that includes a robust resource database for those seeking services and a referral system to be incorporated within the locator tool to help facilitate the connection between an individual and a facility that is currently accepting new referrals. The tool must include dual

interface capability, one for public access and one for internal use and management.

**Part XI - Investing Adequately in Statewide Diversion Services**

NEW SECTION. **Sec. 29.** A new section is added to chapter 71.24 RCW to read as follows:

Subject to the availability of funds appropriated for this specific purpose, the authority shall:

(1) Continue and expand efforts to provide opioid use disorder medication in city, county, regional, and tribal jails;

(2) Provide support funds to new and established department of health certified clubhouses throughout the state;

(3) Award grants to an equivalent number of crisis services providers to the west and the east of the Cascade mountains, to establish and expand 23-hour crisis relief center capacity;

(4) Maintain a memorandum of understanding with the criminal justice training commission to provide ongoing funding for community grants pursuant to RCW 36.28A.450; and

(5) Provide ongoing grants to law enforcement assistant diversion programs under RCW 71.24.589.

**Part XII - Streamlining Substance Use Disorder Treatment Intakes**

NEW SECTION. **Sec. 30.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority shall convene a work group to recommend changes to systems, policies, and processes related to intake, screening, and assessment for substance use disorder services, with the goal to broaden the workforce capable of processing intakes and to make the intake process as brief as possible, including only what is necessary to manage utilization and initiate care. The intake shall be low barrier, person-centered, and amenable to administration in diverse health care settings and by a range of health care professionals. The intake assessment shall consider the person's self-identified needs and preferences when evaluating direction of treatment and may include different components based on the setting, context, and past experience with the client.

(2) The work group must include care providers, payors, people who use drugs, and other individuals recommended by the authority. The work group shall present its recommendations to the governor and appropriate committees of the legislature by December 1, 2024.

**Part XIII - Miscellaneous Provisions**

NEW SECTION. **Sec. 31.** Section 7 of this act takes effect January 1, 2025.

**Sec. 32.** 2021 c 311 s 29 (uncodified) is amended to read as follows:

Sections 8 through 10((~~,~~))and 12((~~, 15, and 16~~)) of this act expire July 1, 2023.

NEW SECTION. **Sec. 33.** Sections 2 through 6, 8 through 12, and 32 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2023.

NEW SECTION. **Sec. 34.** 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."

Correct the title.

Signed by Representatives Goodman, Chair; Simmons, Vice Chair; Mosbrucker, Ranking Minority Member; Davis; Fosse and Ramos.

MINORITY recommendation: Do not pass. Signed by Representatives Griffey, Assistant Ranking Minority Member; Farivar; and Graham.

Referred to Committee on Appropriations

March 28, 2023

2SSB 5555 Prime Sponsor, Ways & Means: Creating the profession of certified peer specialists. Reported by Committee on Health Care & Wellness

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that peers play a critical role along the behavioral health continuum of care, from outreach to treatment to recovery support. Peers deal in the currency of hope and motivation and are incredibly adept at supporting people with behavioral health challenges on their recovery journeys. Peers represent the only segment of the behavioral health workforce where there is not a shortage, but a surplus of willing workers. Peers, however, are presently limited to serving only medicaid recipients and working only in community behavioral health agencies. As a result, youth and adults with commercial insurance have no access to peer services. Furthermore, peers who work in other settings, such as emergency departments and behavioral health urgent care, cannot bill insurance for their services.

(2) Therefore, it is the intent of the legislature to address the behavioral health workforce crisis, expand access to peer services, eliminate financial barriers to professional licensing, and honor the contributions of the peer profession by creating the profession of certified peer specialists.

NEW SECTION. **Sec. 2.** The definitions in this section apply throughout this

chapter unless the context clearly requires otherwise.

(1) "Advisory committee" means the Washington state certified peer specialist advisory committee established under section 4 of this act.

(2) "Approved supervisor" means:

(a) Until July 1, 2028, a behavioral health provider, as defined in RCW 71.24.025 with at least two years of experience working in a behavioral health practice that employs peer specialists as part of treatment teams; or

(b) A certified peer specialist who has completed:

(i) At least 1,500 hours of work as a fully certified peer specialist engaged in the practice of peer support services, with at least 500 hours attained through the joint supervision of peers in conjunction with another approved supervisor; and

(ii) The training developed by the health care authority under section 13 of this act.

(3) "Certified peer specialist" means a person certified under this chapter to engage in the practice of peer support services.

(4) "Certified peer specialist trainee" means an individual working toward the supervised experience and written examination requirements to become a certified peer specialist under this chapter.

(5) "Department" means the department of health.

(6) "Practice of peer support services" means the provision of interventions by either a person in recovery from a mental health condition or substance use disorder, or both, or the parent or legal guardian of a youth who is receiving or has received behavioral health services. The client receiving the interventions receives them from a person with a similar lived experience as either a person in recovery from a mental health condition or substance use disorder, or both, or the parent or legal guardian of a youth who is receiving or has received behavioral health services. The person provides the interventions through the use of shared experiences to assist a client in the acquisition and exercise of skills needed to support the client's recovery. Interventions may include activities that assist clients in accessing or engaging in treatment and in symptom management; promote social connection, recovery, and self-advocacy; provide guidance in the development of natural community supports and basic daily living skills; and support clients in engagement, motivation, and maintenance related to achieving and maintaining health and wellness goals.

(7) "Secretary" means the secretary of health.

NEW SECTION. **Sec. 3.** In addition to any other authority, the secretary has the authority to:

(1) Adopt rules under chapter 34.05 RCW necessary to implement this chapter;

(2) Establish all certification, examination, and renewal fees for certified peer specialists in accordance with RCW 43.70.110 and 43.70.250;

(3) Establish forms and procedures necessary to administer this chapter;

(4) Issue certificates to applicants who have met the education, training, and examination requirements for obtaining a certificate and to deny a certificate to applicants who do not meet the requirements;

(5) Coordinate with the health care authority to confirm an applicants' successful completion of the certified peer specialist education course offered by the health care authority under section 13 of this act and successful passage of the associated oral examination as proof of eligibility to take a qualifying written examination for applicants for obtaining a certificate;

(6) Establish practice parameters consistent with the definition of the practice of peer support services;

(7) Provide staffing and administrative support to the advisory committee;

(8) Determine which states have credentialing requirements equivalent to those of this state, and issue certificates to applicants credentialed in those states without examination;

(9) Define and approve any supervised experience requirements for certification;

(10) Assist the advisory committee with the review of peer counselor apprenticeship program applications in the process of being approved and registered under chapter 49.04 RCW;

(11) Adopt rules implementing a continuing competency program; and

(12) Establish by rule the procedures for an appeal of an examination failure.

NEW SECTION. **Sec. 4.** (1) The Washington state certified peer specialist advisory committee is established.

(2)(a) The advisory committee shall consist of 11 members. Nine members must be certified peer specialists. Those nine members shall be inclusive of mental health peers, substance use disorder peers, community-based peers, peers who work in clinical settings, youth peers, adult peers, parent or family peers, and peer supervisors. One member must represent community behavioral health agencies. One member must represent the public at large and may not be a credentialed behavioral health provider. The advisory committee shall be reflective of the community who receives peer services, including people who are Black, indigenous, people of color, and individuals who identify as LGBTQ. All members of the advisory committee must be residents of Washington state. Members may not hold an office in a professional association for peer specialists or be employed by the state. A majority of the members currently serving shall constitute a quorum.

(b) The members shall be appointed by the secretary to serve three-year terms which may be renewed. Initial members shall be appointed to staggered terms which may be less than three years. Initial membership may vary from the requirements in (a) of this subsection to account for the lack of

an available credential for certified peer specialists at the time the advisory committee is established. The advisory committee shall select a chair and vice chair.

(3) The department and the health care authority, as appropriate, are encouraged to adopt recommendations as submitted by the advisory committee on topics related to the administration of this chapter and provide their rationale for any formal recommendations of the advisory committee that either agency does not adopt, including:

(a) Advice and recommendations regarding the establishment or implementation of rules related to this chapter;

(b) Advice, recommendations, and consultation regarding professional boundaries, customary practices, and other aspects of peer support as it relates to complaints, investigations, and other disciplinary actions;

(c) Assistance and recommendations to enhance patient and client education;

(d) Assistance and recommendations regarding the written and oral examination to become a certified peer specialist and the examiners conducting the examinations, including recommendations to assure that the examinations, and the manner in which the examinations are administered, are culturally appropriate;

(e) Assistance and recommendations regarding any continuing education and continuing competency programs administered under the provisions of this chapter;

(f) Advice and guidance regarding criteria for certification based on prior experience as a peer specialist attained before July 1, 2025, as described in section 7(2) of this act;

(g) Recommendations for additional supports that may help those practicing as peer counselors as of the effective date of this section to become certified peer specialists;

(h) Advice and guidance on the feasibility and design of a two-phase certification program for peer specialists;

(i) Review of existing health care authority policies and procedures related to peer counselors;

(j) Advice on approving additional education and training entities, other than the health care authority, to conduct the course of instruction in section 13(1)(a) of this act to expand availability of the course, particularly among black, indigenous, people of color, and individuals who identify as LGBTQ;

(k) Advice on approving additional testing entities, other than the health care authority to administer the written and oral examination, including entities owned by black, indigenous, and people of color;

(l) Advice on long-term planning and growth for the future advancement of the peer specialist profession;

(m) Recommendations on recruitment and retention in the peer specialist profession, including among black, indigenous, people of color, and individuals who identify as LGBTQ; and

(n) Recommendations on strategies to eliminate financial barriers to licensing as a certified peer specialist.

(4) Committee members are immune from suit in an action, civil or criminal, based on the department's disciplinary proceedings or other official acts performed in good faith.

(5) Committee members shall be compensated in accordance with RCW 43.03.240, including travel expenses in carrying out his or her authorized duties in accordance with RCW 43.03.050 and 43.03.060.

NEW SECTION. **Sec. 5.** Beginning July 1, 2025, except as provided in section 13 of this act, the decision of a person practicing peer support services to become certified under this chapter is voluntary. A person may not use the title certified peer specialist unless the person holds a credential under this chapter.

NEW SECTION. **Sec. 6.** Nothing in this chapter may be construed to prohibit or restrict:

(1) An individual who holds a credential issued by this state, other than as a certified peer specialist or certified peer specialist trainee, to engage in the practice of an occupation or profession without obtaining an additional credential from the state. The individual may not use the title certified peer specialist unless the individual holds a credential under this chapter; or

(2) The practice of peer support services by a person who is employed by the government of the United States while engaged in the performance of duties prescribed by the laws of the United States.

NEW SECTION. **Sec. 7.** (1) Beginning July 1, 2025, except as provided in subsections (2) and (3) of this section, the secretary shall issue a certificate to practice as a certified peer specialist to any applicant who demonstrates to the satisfaction of the secretary that the applicant meets the following requirements:

(a) Submission of an attestation to the department that the applicant self-identifies as:

(i) A person with one or more years of recovery from a mental health condition, substance use disorder, or both; or

(ii) The parent or legal guardian of a youth who is receiving or has received behavioral health services;

(b) Successful completion of the education course developed and offered by the health care authority under section 13 of this act;

(c) Successful passage of an oral examination administered by the health care authority upon completion of the education course offered by the health care authority under section 13 of this act;

(d) Successful passage of a written examination administered by the health care authority upon completion of the education course offered by the health care authority under section 13 of this act;

(e) Successful completion of an experience requirement of at least 1,000 supervised hours as a certified peer specialist trainee engaged in the volunteer or paid practice of peer support services, in accordance with the standards in section 8 of this act; and

(f) Payment of the appropriate fee required under this chapter.

(2) The secretary, with the recommendation of the advisory committee, shall establish criteria for the issuance of a certificate to engage in the practice of peer support services based on prior experience as a peer specialist attained before July 1, 2025. The criteria shall establish equivalency standards necessary to be deemed to have met the requirements of subsection (1) of this section. An applicant under this subsection shall have until July 1, 2026, to complete any standards in which the applicant is determined to be deficient.

(3) The secretary, with the recommendation of the advisory committee, shall issue a certificate to engage in the practice of peer support services based on completion of an apprenticeship program registered and approved under chapter 49.04 RCW and reviewed by the advisory committee under section 3 of this act.

(4) A certificate to engage in the practice of peer support services is valid for two years. A certificate may be renewed upon demonstrating to the department that the certified peer specialist has successfully completed 30 hours of continuing education approved by the department. As part of the continuing education requirement, every six years the applicant must submit proof of successful completion of at least three hours of suicide prevention training and at least six hours of coursework in professional ethics and law, which may include topics under RCW 18.130.180.

NEW SECTION. **Sec. 8.** (1) Beginning July 1, 2025, the secretary shall issue a certificate to practice as a certified peer specialist trainee to any applicant who demonstrates to the satisfaction of the secretary that:

(a) The applicant meets the requirements of section 7 (1)(a), (b), (c), (d), and (4) of this act and is working toward the supervised experience requirements to become a certified peer specialist under this chapter; or

(b) The applicant is enrolled in an apprenticeship program registered and approved under chapter 49.04 RCW and approved by the secretary under section 3 of this act.

(2) An applicant seeking to become a certified peer specialist trainee under this section shall submit to the secretary for approval an attestation, in accordance with rules adopted by the department, that the certified peer specialist trainee is actively pursuing the supervised experience requirements of section 7(1)(d) of this act. This attestation must be updated with the trainee's annual renewal.

(3) A certified peer specialist trainee certified under this section may practice only under the supervision of an approved supervisor. Supervision may be provided through distance supervision. Supervision may be provided by an approved supervisor who is employed by the same employer that employs the certified peer specialist trainee or by an arrangement made with a third-party approved supervisor to provide supervision, or a combination of both types of approved supervisors.

(4) A certified peer specialist trainee certificate is valid for one year and may only be renewed four times.

NEW SECTION. **Sec. 9.** (1) The date and location of written examinations must be established by the health care authority. Applicants who have been found by the health care authority to meet other requirements for obtaining a certificate must be scheduled for the next examination following the filing of the application. The health care authority shall establish by rule the examination application deadline.

(2) The health care authority shall administer written examinations to each applicant, by means determined most effective, on subjects appropriate to the scope of practice, as applicable. The examinations must be limited to the purpose of determining whether the applicant possesses the minimum skill and knowledge necessary to practice competently.

(3) The examination materials, all grading of the materials, and the grading of any practical work must be preserved for a period of not less than one year after the health care authority has made and published the decisions. All examinations must be conducted under fair and wholly impartial methods.

(4) Any applicant failing to make the required grade in the first written examination may take up to three subsequent written examinations as the applicant desires upon prepaying a fee determined by the health care authority for each subsequent written examination. Upon failing four written examinations, the health care authority may invalidate the original application and require remedial education before the person may take future written examinations.

(5) The health care authority may approve a written examination prepared or administered by a private organization that credentials and renews credentials for peer counselors, or an association of credentialing agencies, for use by an applicant in meeting the credentialing requirements.

NEW SECTION. **Sec. 10.** The secretary shall establish, by rule, the requirements and fees for renewal of a certificate issued pursuant to this chapter. Fees must be established in accordance with RCW 43.70.110 and 43.70.250. Failure to renew the certificate invalidates the certificate and all privileges granted by the certificate. If a certificate has lapsed for a period longer than three years, the person shall demonstrate competence to the satisfaction of the secretary by completing continuing

competency requirements or meeting other standards determined by the secretary.

NEW SECTION. **Sec. 11.** (1) The department, in consultation with the advisory committee, shall conduct an assessment and submit a report to the governor and the committees of the legislature with jurisdiction over health policy issues by December 1, 2027.

(2) The report in subsection (1) of this section shall provide:

(a) An analysis of the adequacy of the supply of certified peer specialists serving as approved supervisors pursuant to section 2(2)(b) of this act with respect to the ability to meet the anticipated supervision needs of certified peer specialist trainees upon the expiration of behavioral health providers serving as approved supervisors pursuant to section 2(2)(a) of this act;

(b) An assessment of whether or not it is necessary to extend the expiration of behavioral health providers serving as approved supervisors pursuant to section 2(2)(a) of this act in order to meet the anticipated supervision needs of certified peer specialist trainees; and

(c) Recommendations for increasing the supply of certified peer specialists serving as approved supervisors pursuant to section 2(2)(b) of this act, including any potential modifications to the requirements to become an approved supervisor.

NEW SECTION. **Sec. 12.** The uniform disciplinary act, chapter 18.130 RCW, governs uncertified practice of peer support services, the issuance and denial of certificates, and the discipline of certified peer specialists and certified peer specialist trainees under this chapter.

NEW SECTION. **Sec. 13.** A new section is added to chapter 71.24 RCW to read as follows:

(1)(a) By January 1, 2025, the authority must develop a course of instruction to become a certified peer specialist under chapter 18.--- RCW (the new chapter created in section 22 of this act). The course must be approximately 80 hours in duration and based upon the curriculum offered by the authority in its peer counselor training as of the effective date of this section, as well as additional instruction in the principles of recovery coaching and suicide prevention. The authority shall establish a peer engagement process to receive suggestions regarding subjects to be covered in the 80-hour curriculum beyond those addressed in the peer counselor training curriculum and recovery coaching and suicide prevention curricula, including the cultural appropriateness of the 80-hour training. The education course must be taught by certified peer specialists. The education course must be offered by the authority with sufficient frequency to accommodate the demand for training and the needs of the workforce. The authority must establish multiple configurations for offering the education course, including offering the course as an uninterrupted course with longer class hours held on consecutive days for students seeking accelerated completion of the course and as an extended course with reduced daily class hours, possibly with multiple days between classes, to accommodate students with other commitments. Upon completion of the education course, the student must pass an oral examination administered by the course trainer.

(b) The authority shall develop an expedited course of instruction that consists of only those portions of the curriculum required under (a) of this subsection that exceed the authority's certified peer counselor training curriculum as it exists on the effective date of this section. The expedited training shall focus on assisting persons who completed the authority's certified peer counselor training as it exists on the effective date of this section to meet the education requirements for certification under section 7 of this act.

(2) By January 1, 2025, the authority must develop a training course for certified peer specialists providing supervision to certified peer specialist trainees under section 8 of this act.

(3)(a) By July 1, 2025, the authority shall offer a 40-hour specialized training course in peer crisis response services for individuals employed as peers who work with individuals who may be experiencing a behavioral health crisis. When offering the training course, priority for enrollment must be given to certified peer specialists employed in a crisis-related setting, including entities identified in (b) of this subsection. The training shall incorporate best practices for responding to 988 behavioral health crisis line calls, as well as processes for co-response with law enforcement when necessary.

(b) Beginning July 1, 2025, any entity that uses certified peer specialists as peer crisis responders, may only use certified peer specialists who have completed the training course established by (a) of this subsection. A behavioral health agency that uses certified peer specialists to work as peer crisis responders must maintain the records of the completion of the training course for those certified peer specialists who provide these services and make the records available to the state agency for auditing or certification purposes.

(4) By July 1, 2025, the authority shall offer a course designed to inform licensed or certified behavioral health agencies of the benefits of incorporating certified peer specialists and certified peer specialist trainees into their clinical staff and best practices for incorporating their services. The authority shall encourage entities that hire certified peer specialists and certified peer specialist trainees, including licensed or certified behavioral health agencies, hospitals, primary care offices, and other entities, to have appropriate staff attend the training by making it available in multiple formats.

(5) The authority shall:

(a) Hire clerical, administrative, investigative, and other staff as needed to implement this section to serve as examiners for any practical oral or written

examination and assure that the examiners are trained to administer examinations in a culturally appropriate manner and represent the diversity of applicants being tested. The authority shall adopt procedures to allow for appropriate accommodations for persons with a learning disability, other disabilities, and other needs and assure that staff involved in the administration of examinations are trained on those procedures;

(b) Develop oral and written examinations required under this section. The initial examinations shall be adapted from those used by the authority as of the effective date of this section and modified pursuant to input and comments from the Washington state peer specialist advisory committee. The authority shall assure that the examinations are culturally appropriate;

(c) Prepare, grade, and administer, or supervise the grading and administration of written examinations for obtaining a certificate;

(d) Approve entities to provide the educational courses required by this section and approve entities to prepare, grade, and administer written examinations for the educational courses required by this section. In establishing approval criteria, the authority shall consider the recommendations of the Washington state peer specialist advisory committee;

(e) Develop examination preparation materials and make them available to students enrolled in the courses established under this section in multiple formats, including specialized examination preparation support for students with higher barriers to passing the written examination; and

(f) The authority shall administer, through contract, a program to link eligible persons in recovery from behavioral health challenges who are seeking employment as peers with employers seeking to hire peers, including certified peer specialists. The authority must contract for this program with an organization that provides peer workforce development, peer coaching, and other peer supportive services. The contract must require the organization to create and maintain a statewide database which is easily accessible to eligible persons in recovery who are seeking employment as peers and potential employers seeking to hire peers, including certified peer specialists. The program must be fully implemented by July 1, 2024.

(6) For the purposes of this section, the term "peer crisis responder" means a peer specialist certified under chapter 18.--- RCW (the new chapter created in section 22 of this act) who has completed the training under subsection (3) of this section whose job involves responding to behavioral health emergencies, including those dispatched through a 988 crisis hotline or the 911 system.

NEW SECTION. **Sec. 14.** A new section is added to chapter 71.24 RCW to read as follows:

Behavioral health agencies must reduce the caseload for approved supervisors who are providing supervision to certified peer specialist trainees seeking certification under chapter 18.--- RCW (the new chapter created in section 22 of this act), in accordance with standards established by the Washington state certified peer specialist advisory committee.

NEW SECTION. **Sec. 15.** A new section is added to chapter 71.24 RCW to read as follows:

(1) Beginning January 1, 2027, a person who engages in the practice of peer support services and who bills a health carrier or medical assistance or whose employer bills a health carrier or medical assistance for those services must hold an active credential as a certified peer specialist or certified peer specialist trainee under chapter 18.--- RCW (the new chapter created in section 22 of this act).

(2) A person who is registered as an agency-affiliated counselor under chapter 18.19 RCW who engages in the practice of peer support services and whose agency, as defined in RCW 18.19.020, bills medical assistance for those services must hold a certificate as a certified peer specialist or certified peer specialist trainee under chapter 18.--- RCW (the new chapter created in section 22 of this act) no later than January 1, 2027.

NEW SECTION. **Sec. 16.** A new section is added to chapter 48.43 RCW to read as follows:

By July 1, 2026, each carrier shall provide access to services provided by certified peer specialists and certified peer specialist trainees in a manner sufficient to meet the network access standards set forth in rules established by the office of the insurance commissioner.

**Sec. 17.** RCW 18.130.040 and 2021 c 179 s 7 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage therapists and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) Acupuncturists or acupuncture and Eastern medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified or medication assistants endorsed under chapter 18.88A RCW;

(xiii) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xiv) Substance use disorder professionals, substance use disorder professional trainees, or co-occurring disorder specialists certified under chapter 18.205 RCW;

(xv) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvi) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xvii) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xviii) Surgical technologists registered under chapter 18.215 RCW;

(xix) Recreational therapists under chapter 18.230 RCW;

(xx) Animal massage therapists certified under chapter 18.240 RCW;

(xxi) Athletic trainers licensed under chapter 18.250 RCW;

(xxii) Home care aides certified under chapter 18.88B RCW;

(xxiii) Genetic counselors licensed under chapter 18.290 RCW;

(xxiv) Reflexologists certified under chapter 18.108 RCW;

(xxv) Medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, forensic phlebotomist, and medical assistants-registered certified and registered under chapter 18.360 RCW; ((~~and~~))

(xxvi) Behavior analysts, assistant behavior analysts, and behavior technicians under chapter 18.380 RCW; and

(xxvii) Certified peer specialists and certified peer specialist trainees under chapter 18.--- RCW (the new chapter created in section 22 of this act).

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW, licenses and registrations issued under chapter 18.260 RCW, and certifications issued under chapter 18.350 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapter 18.57 RCW;

(viii) The pharmacy quality assurance commission as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The Washington medical commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW;

(xv) The board of naturopathy established in chapter 18.36A RCW, governing licenses and certifications issued under that chapter; and

(xvi) The board of denturists established in chapter 18.30 RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the uniform disciplinary act, among the disciplining authorities listed in subsection (2) of this section.

**Sec. 18.** RCW 18.130.040 and 2022 c 217 s 5 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage therapists and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) Acupuncturists or acupuncture and Eastern medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified or medication assistants endorsed under chapter 18.88A RCW;

(xiii) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xiv) Substance use disorder professionals, substance use disorder professional trainees, or co-occurring disorder specialists certified under chapter 18.205 RCW;

(xv) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvi) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xvii) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xviii) Surgical technologists registered under chapter 18.215 RCW;

(xix) Recreational therapists under chapter 18.230 RCW;

(xx) Animal massage therapists certified under chapter 18.240 RCW;

(xxi) Athletic trainers licensed under chapter 18.250 RCW;

(xxii) Home care aides certified under chapter 18.88B RCW;

(xxiii) Genetic counselors licensed under chapter 18.290 RCW;

(xxiv) Reflexologists certified under chapter 18.108 RCW;

(xxv) Medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, forensic phlebotomist, and medical assistants-registered certified and registered under chapter 18.360 RCW;

(xxvi) Behavior analysts, assistant behavior analysts, and behavior technicians under chapter 18.380 RCW; ((~~and~~))

(xxvii) Birth doulas certified under chapter 18.47 RCW; and

(xxviii) Certified peer specialists and certified peer specialist trainees under chapter 18.--- RCW (the new chapter created in section 22 of this act).

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW, licenses and registrations issued under chapter 18.260 RCW, and certifications issued under chapter 18.350 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapter 18.57 RCW;

(viii) The pharmacy quality assurance commission as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The Washington medical commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW;

(xv) The board of naturopathy established in chapter 18.36A RCW, governing licenses and certifications issued under that chapter; and

(xvi) The board of denturists established in chapter 18.30 RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the uniform disciplinary act, among the disciplining authorities listed in subsection (2) of this section.

**Sec. 19.** RCW 18.130.175 and 2022 c 43 s 10 are each amended to read as follows:

(1) In lieu of disciplinary action under RCW 18.130.160 and if the disciplining authority determines that the unprofessional conduct may be the result of an applicable impairing or potentially impairing health condition, the disciplining authority may refer the license holder to a physician health program or a voluntary substance use disorder monitoring program approved by the disciplining authority.

The cost of evaluation and treatment shall be the responsibility of the license

holder, but the responsibility does not preclude payment by an employer, existing insurance coverage, or other sources. Evaluation and treatment shall be provided by providers approved by the entity or the commission. The disciplining authority may also approve the use of out-of-state programs. Referral of the license holder to the physician health program or voluntary substance use disorder monitoring program shall be done only with the consent of the license holder. Referral to the physician health program or voluntary substance use disorder monitoring program may also include probationary conditions for a designated period of time. If the license holder does not consent to be referred to the program or does not successfully complete the program, the disciplining authority may take appropriate action under RCW 18.130.160 which includes suspension of the license unless or until the disciplining authority, in consultation with the director of the applicable program, determines the license holder is able to practice safely. The secretary shall adopt uniform rules for the evaluation by the disciplining authority of return to substance use or program violation on the part of a license holder in the program. The evaluation shall encourage program participation with additional conditions, in lieu of disciplinary action, when the disciplining authority determines that the license holder is able to continue to practice with reasonable skill and safety.

(2) In addition to approving the physician health program or the voluntary substance use disorder monitoring program that may receive referrals from the disciplining authority, the disciplining authority may establish by rule requirements for participation of license holders who are not being investigated or monitored by the disciplining authority. License holders voluntarily participating in the approved programs without being referred by the disciplining authority shall not be subject to disciplinary action under RCW 18.130.160 for their impairing or potentially impairing health condition, and shall not have their participation made known to the disciplining authority, if they meet the requirements of this section and the program in which they are participating.

(3) The license holder shall sign a waiver allowing the program to release information to the disciplining authority if the licensee does not comply with the requirements of this section or is unable to practice with reasonable skill or safety. The physician health program or voluntary substance use disorder program shall report to the disciplining authority any license holder who fails to comply with the requirements of this section or the program or who, in the opinion of the program, is unable to practice with reasonable skill or safety. License holders shall report to the disciplining authority if they fail to comply with this section or do not complete the program's requirements. License holders may, upon the agreement of the program and disciplining authority, reenter the program if they have previously failed to comply with this section.

(4) Program records including, but not limited to, case notes, progress notes, laboratory reports, evaluation and treatment records, electronic and written correspondence within the program, and between the program and the participant or other involved entities including, but not limited to, employers, credentialing bodies, referents, or other collateral sources, relating to license holders referred to or voluntarily participating in approved programs are confidential and exempt from disclosure under chapter 42.56 RCW and shall not be subject to discovery by subpoena or admissible as evidence except:

(a) To defend any civil action by a license holder regarding the restriction or revocation of that individual's clinical or staff privileges, or termination of a license holder's employment. In such an action, the program will, upon subpoena issued by either party to the action, and upon the requesting party seeking a protective order for the requested disclosure, provide to both parties of the action written disclosure that includes the following information:

(i) Verification of a health care professional's participation in the physician health program or voluntary substance use disorder monitoring program as it relates to aspects of program involvement at issue in the civil action;

(ii) The dates of participation;

(iii) Whether or not the program identified an impairing or potentially impairing health condition;

(iv) Whether the health care professional was compliant with the requirements of the physician health program or voluntary substance use disorder monitoring program; and

(v) Whether the health care professional successfully completed the physician health program or voluntary substance use disorder monitoring program; and

(b) Records provided to the disciplining authority for cause as described in subsection (3) of this section. Program records relating to license holders mandated to the program, through order or by stipulation, by the disciplining authority or relating to license holders reported to the disciplining authority by the program for cause, must be released to the disciplining authority at the request of the disciplining authority. Records held by the disciplining authority under this section are exempt from chapter 42.56 RCW and are not subject to discovery by subpoena except by the license holder.

(5) This section does not affect an employer's right or ability to make employment-related decisions regarding a license holder. This section does not restrict the authority of the disciplining authority to take disciplinary action for any other unprofessional conduct.

(6) A person who, in good faith, reports information or takes action in connection with this section is immune from civil liability for reporting information or taking the action.

(a) The immunity from civil liability provided by this section shall be liberally construed to accomplish the purposes of this

section, and applies to both license holders and students and trainees when students and trainees of the applicable professions are served by the program. The persons entitled to immunity shall include:

(i) An approved physician health program or voluntary substance use disorder monitoring program;

(ii) The professional association affiliated with the program;

(iii) Members, employees, or agents of the program or associations;

(iv) Persons reporting a license holder as being possibly impaired or providing information about the license holder's impairment; and

(v) Professionals supervising or monitoring the course of the program participant's treatment or rehabilitation.

(b) The courts are strongly encouraged to impose sanctions on program participants and their attorneys whose allegations under this subsection are not made in good faith and are without either reasonable objective, substantive grounds, or both.

(c) The immunity provided in this section is in addition to any other immunity provided by law.

(7) In the case of a person who is applying to be a substance use disorder professional or substance use disorder professional trainee certified under chapter 18.205 RCW, an agency affiliated counselor registered under chapter 18.19 RCW, or a peer specialist or peer specialist trainee certified under chapter 18.--- RCW (the new chapter created in section 22 of this act), if the person is:

(a) Less than one year in recovery from a substance use disorder, the duration of time that the person may be required to participate in an approved substance use disorder monitoring program may not exceed the amount of time necessary for the person to achieve one year in recovery; or

(b) At least one year in recovery from a substance use disorder, the person may not be required to participate in the approved substance use disorder monitoring program.

(8) ((~~In the case of a person who is applying to be an agency affiliated counselor registered under chapter 18.19 RCW and practices or intends to practice as a peer counselor in an agency, as defined in RCW 18.19.020, if the person is:~~

~~(a) Less than one year in recovery from a substance use disorder, the duration of time that the person may be required to participate in the approved substance use disorder monitoring program may not exceed the amount of time necessary for the person to achieve one year in recovery; or~~

~~(b) At least one year in recovery from a substance use disorder, the person may not be required to participate in the approved substance use disorder monitoring program~~)) The provisions of subsection (7) of this section apply to any person employed as a peer specialist as of July 1, 2025, participating in a program under this section as of July 1, 2025, and applying to become a certified peer specialist under section 7 of this act, regardless of when the person's participation in a program began. To this extent, subsection (7) of this section applies retroactively, but in all other respects it applies prospectively.

**Sec. 20.** RCW 43.43.842 and 2021 c 215 s 150 are each amended to read as follows:

(1)(a) The secretary of social and health services and the secretary of health shall adopt additional requirements for the licensure or relicensure of agencies, facilities, and licensed individuals who provide care and treatment to vulnerable adults, including nursing pools registered under chapter 18.52C RCW. These additional requirements shall ensure that any person associated with a licensed agency or facility having unsupervised access with a vulnerable adult shall not be the respondent in an active vulnerable adult protection order under chapter 7.105 RCW, nor have been: (i) Convicted of a crime against children or other persons as defined in RCW 43.43.830, except as provided in this section; (ii) convicted of crimes relating to financial exploitation as defined in RCW 43.43.830, except as provided in this section; or (iii) found in any disciplinary board final decision to have abused a vulnerable adult as defined in RCW 43.43.830.

(b) A person associated with a licensed agency or facility who has unsupervised access with a vulnerable adult shall make the disclosures specified in RCW 43.43.834(2). The person shall make the disclosures in writing, sign, and swear to the contents under penalty of perjury. The person shall, in the disclosures, specify all crimes against children or other persons, all crimes relating to financial exploitation, and all crimes relating to drugs as defined in RCW 43.43.830, committed by the person.

(2) The rules adopted under this section shall permit the licensee to consider the criminal history of an applicant for employment in a licensed facility when the applicant has one or more convictions for a past offense and:

(a) The offense was simple assault, assault in the fourth degree, or the same offense as it may be renamed, and three or more years have passed between the most recent conviction and the date of application for employment;

(b) The offense was prostitution, or the same offense as it may be renamed, and three or more years have passed between the most recent conviction and the date of application for employment;

(c) The offense was theft in the third degree, or the same offense as it may be renamed, and three or more years have passed between the most recent conviction and the date of application for employment;

(d) The offense was theft in the second degree, or the same offense as it may be renamed, and five or more years have passed between the most recent conviction and the date of application for employment;

(e) The offense was forgery, or the same offense as it may be renamed, and five or more years have passed between the most recent conviction and the date of application for employment;

(f) The department of social and health services reviewed the employee's otherwise disqualifying criminal history through the department of social and health services' background assessment review team process conducted in 2002, and determined that such employee could remain in a position covered by this section; or

(g) The otherwise disqualifying conviction or disposition has been the subject of a pardon, annulment, or other equivalent procedure.

The offenses set forth in (a) through (g) of this subsection do not automatically disqualify an applicant from employment by a licensee. Nothing in this section may be construed to require the employment of any person against a licensee's judgment.

(3) The rules adopted pursuant to subsection (2) of this section may not allow a licensee to automatically deny an applicant with a conviction for an offense set forth in subsection (2) of this section for a position as a substance use disorder professional or substance use disorder professional trainee certified under chapter 18.205 RCW, as an agency affiliated counselor registered under chapter 18.19 RCW practicing as a peer counselor in an agency or facility, or as a peer specialist or peer specialist trainee certified under chapter 18.--- RCW (the new chapter created in section 22 of this act), if:

(a) At least one year has passed between the applicant's most recent conviction for an offense set forth in subsection (2) of this section and the date of application for employment;

(b) The offense was committed as a result of the applicant's substance use or untreated mental health symptoms; and

(c) The applicant is at least one year in recovery from a substance use disorder, whether through abstinence or stability on medication-assisted therapy, or in recovery from a mental health disorder.

(4) ((~~The rules adopted pursuant to subsection (2) of this section may not allow a licensee to automatically deny an applicant with a conviction for an offense set forth in subsection (2) of this section for a position as an agency affiliated counselor registered under chapter 18.19 RCW practicing as a peer counselor in an agency or facility if:~~

~~(a) At least one year has passed between the applicant's most recent conviction for an offense set forth in subsection (2) of this section and the date of application for employment;~~

~~(b) The offense was committed as a result of the person's substance use or untreated mental health symptoms; and~~

~~(c) The applicant is at least one year in recovery from a substance use disorder, whether through abstinence or stability on medication-assisted therapy, or in recovery from mental health challenges.~~

~~(5)~~)) In consultation with law enforcement personnel, the secretary of social and health services and the secretary of health shall investigate, or cause to be investigated, the conviction record and the protection proceeding record information under this chapter of the staff of each agency or facility under their respective jurisdictions seeking licensure or relicensure. An individual responding to a criminal background inquiry request from his or her employer or potential employer shall disclose the information about his or her criminal history under penalty of perjury. The secretaries shall use the information solely for the purpose of determining eligibility for licensure or relicensure. Criminal justice agencies shall provide the secretaries such information as they may have and that the secretaries may require for such purpose.

**Sec. 21.** RCW 43.70.250 and 2019 c 415 s 966 are each amended to read as follows:

(1) It shall be the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business.

(2) The secretary shall from time to time establish the amount of all application fees, license fees, registration fees, examination fees, permit fees, renewal fees, and any other fee associated with licensing or regulation of professions, occupations, or businesses administered by the department. Any and all fees or assessments, or both, levied on the state to cover the costs of the operations and activities of the interstate health professions licensure compacts with participating authorities listed under chapter 18.130 RCW shall be borne by the persons who hold licenses issued pursuant to the authority and procedures established under the compacts. In fixing said fees, the secretary shall set the fees for each program at a sufficient level to defray the costs of administering that program and the cost of regulating licensed volunteer medical workers in accordance with RCW 18.130.360, except as provided in RCW 18.79.202. In no case may the secretary ((~~increase a licensing fee for an ambulatory surgical facility licensed under chapter 70.230 RCW during the 2019-2021 fiscal biennium, nor may he or she commence the adoption of rules to increase a licensing fee during the 2019-2021 fiscal biennium~~))impose any certification, examination, or renewal fee upon a person seeking certification as a certified peer specialist trainee under chapter 18.--- RCW (the new chapter created in section 22 of this act) or, between July 1, 2025, and July 1, 2030, impose a certification, examination, or renewal fee of more than $100 upon any person seeking certification as a certified peer specialist under chapter 18.--- RCW (the new chapter created in section 22 of this act).

(3) All such fees shall be fixed by rule adopted by the secretary in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

NEW SECTION. **Sec. 22.** Sections 1 through 12 of this act constitute a new chapter in Title 18 RCW.

NEW SECTION. **Sec. 23.** Section 17 of this act expires October 1, 2023.

NEW SECTION. **Sec. 24.** Section 18 of this act takes effect October 1, 2023.

NEW SECTION. **Sec. 25.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2023, in the omnibus appropriations act, this act is null and void."

Correct the title.

Signed by Representatives Riccelli, Chair; Bateman, Vice Chair; Bronoske; Davis; Harris; Macri; Orwall; Simmons; Stonier; Thai and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representative Schmick, Ranking Minority Member.

MINORITY recommendation: Without recommendation. Signed by Representatives Hutchins, Assistant Ranking Minority Member; Barnard; Graham; Maycumber; and Mosbrucker.

Referred to Committee on Appropriations

March 28, 2023

SSB 5720 Prime Sponsor, Business, Financial Services, Gaming & Trade: Concerning risk mitigation in property insurance. Reported by Committee on Consumer Protection & Business

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"Sec. 1.** RCW 48.18.558 and 2018 c 239 s 2 are each amended to read as follows:

(1) With the prior approval of the commissioner, a property insurer may include the following either goods or services, or both, intended to reduce either the probability of loss, or the extent of loss, or both, from a covered event as part of a policy of property insurance((~~, except commercial property insurance~~)):

(a) Goods, including a water monitor;

(b) Foundation strapping to mitigate losses due to earthquake;

(c) Ongoing services, including home safety monitoring or brush clearing to mitigate losses due to wildfire; and

(d) Other either goods or services, or both, as the commissioner may identify by rule.

(2) Any goods provided are owned by the insured, even if the insurance is subsequently canceled.

(3) The value of goods and services to be provided is limited to ((~~one thousand five hundred dollars~~))$7,500 or ten percent of the annual policy premium, whichever is greater, in value in the aggregate in any ((~~twelve-month~~))12-month period.

(4) In order to receive prior approval of the commissioner, and except as provided in subsection (6) of this section, the property insurer must include the following in its rate filing:

(a) A description of either the specific goods or services, or both, to be offered;

(b) A description of the method of delivering either the specific goods or services, or both, being offered; and

(c) The selection criteria for insureds receiving either the specific goods or services, or both, being offered.

(5) This section does not require the commissioner to approve any particular proposed benefit. The commissioner may disapprove any proposed noninsurance benefit that the commissioner determines may tend to promote or facilitate the violation of any other section of this title. However, if the commissioner approves the inclusion of either the goods or services, or both, in a policy of property insurance((~~, except commercial property insurance,~~)) it does not constitute a violation of RCW 48.30.140 or 48.30.150.

(6)(a) A property insurer may conduct a pilot program as either a risk mitigation or prevention, or both, strategy through which the insurer offers or provides risk mitigation and/or prevention goods and/or services identified in subsection (1) of this section in connection with an insurance policy covering property risks((~~, except commercial property insurance,~~)) in accordance with rules adopted by the commissioner.

(b) A property insurer offering or providing risk mitigation and/or prevention goods and/or services through a pilot program under this subsection is exempt from including information about the risk mitigation and/or prevention goods and/or services in its rate filing as is otherwise required under subsection (4) of this section and RCW 48.19.530.

(c) A property insurer's pilot program may last no longer than two years.

(7) This section does not apply to disaster or emergency response activities of a property insurer.

(8)(a) The commissioner must provide a report to the legislature in accordance with (b) of this subsection that includes to the extent possible based on information provided to the commissioner:

(i) The total number of new property insurance policies that were issued with goods or services, or both, as part of the policy and authorized under this section, including the number of new property insurance policies that were commercial property insurance policies and the number that were residential property insurance policies;

(ii) The number of new commercial property insurance policies that were issued with goods or services, or both, as part of the policy and authorized under this section and the goods or services, or both, were valued as follows:

(A) Up to $1,499;

(B) Between $1,500 and $4,999;

(C) Between $5,000 and $7,499; and

(D) Equal to or greater than $7,500;

(iii) The number of new residential property insurance policies that were issued with goods or services, or both, as part of the policy and authorized under this section and the goods or services, or both, were valued as follows:

(A) Up to $1,499;

(B) Between $1,500 and $4,999;

(C) Between $5,000 and $7,499; and

(D) Equal to or greater than $7,500;

(iv) In providing its report, the commissioner shall rely on information currently held by the commissioner or submitted in routine filings by insurers held by the commissioner. In preparing reports under this subsection, the commissioner shall not demand additional data or information from insurers under RCW 48.02.060 or 48.37.040.

(b) The commissioner's first report must be delivered to the legislature no later than September 1, 2024, and include the information required under this subsection (8) for new property insurance policies issued between August 1, 2023, and August 1, 2024. Thereafter, the commissioner must report the information required under this subsection (8) to the legislature by September 1st of every even-numbered year, which report must include information from new property insurance policies issued between August 1st of the preceding even-numbered year and the year the report is due.

**Sec. 2.** RCW 48.18.559 and 2018 c 239 s 4 are each amended to read as follows:

The commissioner may adopt rules as necessary to implement RCW 48.18.558 and 48.19.530, including but not limited to:

(1) Rules requiring a notice to insureds or potential insureds regarding their ability to opt out of receiving any risk mitigation and/or prevention goods and/or services;

(2) ((~~Rules increasing the value of either the goods or services, or both, permitted under RCW 48.18.558(1);~~

~~(3)~~)) Rules establishing requirements for pilot programs authorized under RCW 48.18.558(6); and

((~~(4)~~))(3) Rules identifying which insurer disaster or emergency response activities are exempt from RCW 48.18.558 and 48.19.530 and RCW 48.30.140 and 48.30.150.

**Sec. 3.** RCW 48.19.530 and 2018 c 239 s 3 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, in addition to other information required by this chapter, a rate filing by a property insurer for a policy((~~, except commercial property insurance,~~)) that includes risk mitigation and/or prevention goods and/or services under RCW 48.18.558, must demonstrate that its rates account for the expected costs of the goods and services and the reduction in expected claims costs resulting from either the goods or services, or both.

(2) This section does not apply to:

(a) A property insurer offering or providing risk mitigation and/or prevention goods and/or services through a pilot program established in RCW 48.18.558(6); or

(b) Disaster or emergency response activities of a property insurer."

Correct the title.

Signed by Representatives Walen, Chair; Reeves, Vice Chair; Corry, Ranking Minority Member; McClintock, Assistant Ranking Minority Member; Chapman; Cheney; Connors; Donaghy; Hackney; Ryu; Sandlin; Santos and Volz.

Referred to Committee on Rules for second reading

There being no objection, the bills and memorial listed on the day's first and second supplemental committee reports under the fifth order of business were referred to the committees so designated.

There being no objection, the House adjourned until 9:55 a.m., Thursday, March 30, 2023, the 81st Day of the 2023 Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk