

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

FIFTY NINTH DAY

House Chamber, Olympia, Wednesday, March 9, 2022

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

The Speaker (Representative Bronoske presiding) led the Chamber in the Pledge of Allegiance

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

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

INTRODUCTION & FIRST READING

HB 2137 by Representatives Kraft and Young

AN ACT Relating to directing state agencies and authorities to rescind all state-related public funds out of Russia; adding a new chapter to Title 39 RCW; adding a new chapter to Title 43 RCW; creating a new section; and declaring an emergency.

Referred to Committee on State Government & Tribal Relations.

SSB 5778 by Senate Committee on Transportation (originally sponsored by Braun, Honeyford, Lovick, Padden, Short and Wilson, J.)

AN ACT Relating to addressing the current backlog of vehicle inspections; amending RCW 46.12.560 and 46.68.410; adding a new section to chapter 46.09 RCW; creating a new section; providing an effective date; and providing an expiration date.

Referred to Committee on Transportation.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

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

REPORTS OF STANDING COMMITTEES

March 8, 2022

ESSB 5714 Prime Sponsor, Committee on Environment, Energy & Technology: Creating a sales and use tax deferral program for solar canopies placed on large-scale commercial parking lots and other

similar areas. Reported by Committee on Finance

MAJORITY recommendation: Do pass. Signed by Representatives Frame, Chair; Berg, Vice Chair; Walen, Vice Chair; Chopp; Harris-Talley; Morgan; Orwall; Ramel; Springer; Thai and Wylie.

MINORITY recommendation: Do not pass. Signed by Representatives Orcutt, Ranking Minority Member; Dufault, Assistant Ranking Minority Member; Chase; Stokesbary; Vick and Young.

Referred to Committee on Rules for second reading.

March 8, 2022

E2SSB 5755 Prime Sponsor, Committee on Ways & Means: Authorizing certain cities to establish a limited sales and use tax incentive program to encourage redevelopment of underdeveloped lands in urban areas. Reported by Committee on Finance

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that:

(1) Many cities in Washington are actively planning for growth under the growth management act, chapter 36.70A RCW;

(2) The construction industry provides living wage jobs for families across Washington;

(3) In the current economic climate, the creation of additional affordable housing units is essential to the economic health of our cities and our state;

(4) It is critical that Washington state promote its cities and its property owners that will provide affordable housing;

(5) A meaningful, fair, and predictable economic incentive should be created to stimulate the redevelopment of underdeveloped property in targeted

urban areas through a limited sales and use tax deferral program as provided by this chapter;

(6) This limited tax deferral will help the owners of underdeveloped property achieve the highest and best use of land and enable cities to more fully realize their planning goals; and

(7) Data regarding the number of additional affordable units created due to the limited tax deferral will be evaluated to determine if this tool could be used to increase affordable housing in other areas of the state.

NEW SECTION. Sec. 2. It is the purpose of this chapter to encourage the redevelopment of underdeveloped land in targeted urban areas, thereby increasing affordable housing, employment opportunities, and helping accomplish the other planning goals of Washington cities. The legislative authorities of cities to which this chapter applies may authorize a sales and use tax deferral for an investment project within the city if the legislative authority of the city finds that there are significant areas of underdeveloped land and a lack of affordable housing in areas proximate to the land. If a conditional recipient maintains the property for qualifying purposes for at least 10 years, deferred sales and use taxes need not be repaid.

NEW SECTION. Sec. 3. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affordable homeownership housing" means housing intended for owner occupancy to low or moderate-income households whose monthly housing costs, including utilities other than telephone, do not exceed 30 percent of the household's monthly income.

(2) "Affordable rental housing" means housing for very low or low-income households whose monthly housing costs, including utilities other than telephone, do not exceed 30 percent of the household's monthly income.

(3) "Applicant" means an owner of underdeveloped property.

(4) "City" means a city with a population of at least 135,000 and not more than 250,000 at the time the city initially establishes the program under this section.

(5) "Conditional recipient" means an owner of underdeveloped land granted a conditional certificate of program approval under this chapter, which includes any successor owner of the property.

(6) "County median price" means the most recently published quarterly data of median home prices by the Washington center for real estate research.

(7) "Eligible investment project" means an investment project that is located in a city and receiving a conditional certificate of program approval.

(8) "Fair market rent" means the estimates of 40th percentile gross rents for standard quality units within counties as published by the federal department of housing and urban development.

(9) "Governing authority" means the local legislative authority of a city having jurisdiction over the property for which a deferral may be granted under this chapter.

(10) "Household" means a single person, family, or unrelated persons living together.

(11)(a) "Initiation of construction" means the date that a building permit is issued under the building code adopted under RCW 19.27.031 for construction of the qualified building, if the underlying ownership of the building vests exclusively with the person receiving the economic benefit of the deferral.

(b) "Initiation of construction" does not include soil testing, site clearing and grading, site preparation, or any other related activities that are initiated before the issuance of a building permit for the construction of the foundation of the building.

(c) If the investment project is a phased project, "initiation of construction" applies separately to each phase.

(12) "Investment project" means an investment in multifamily housing, including labor, services, and materials incorporated in the planning, installation, and construction of the project. "Investment project" includes investment in related facilities such as playgrounds and sidewalks as well as facilities used for business use for mixed-use development.

(13) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is more than 50 percent but is at or below 80 percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area, where the project is located, as reported by the United States department of housing and urban development.

(14) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is more than 80 percent but is at or below 115 percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area, where the project is located, as reported by the United States department of housing and urban development.

(15) "Multifamily housing" means a building or a group of buildings having two or more dwelling units not designed or used as transient accommodations and not including hotels and motels. Multifamily units may result from new construction or rehabilitation or conversion of vacant, underutilized, or substandard buildings to multifamily housing.

(16) "Owner" means the property owner of record.

(17) "Underdeveloped property" means land used as a surface parking lot for parking of motor vehicles off the street or highway, that is open to public use with or without charge, as of the effective date of this section.

(18) "Very low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 50 percent of the median family income adjusted for family size, for the county, city, or metropolitan statistical area, where the project is located, as reported by the United States department of housing and urban development.

NEW SECTION. Sec. 4. (1) For the purpose of creating a sales and use tax deferral program under this chapter, the governing authority must adopt a resolution of intention to create a sales and use tax deferral program as generally described in the resolution. The resolution must state the time and place of a hearing to be held by the governing authority to consider the creation of the

tax deferral program and may include such other information pertaining to the creation of the deferral program as the governing authority determines to be appropriate to apprise the public of the action intended. However, the resolution must provide information pertaining to:

- (a) The application process;
- (b) The approval process;
- (c) The appeals process for applications denied approval; and
- (d) Additional requirements, conditions, and obligations that must be followed postapproval of an application.

(2) The governing authority must give notice of a hearing held under this chapter by publication of the notice once each week for two consecutive weeks, not less than seven days, nor more than 30 days before the date of the hearing in a paper having a general circulation in the city. The notice must state the time, date, place, and purpose of the hearing.

(3) Following the hearing or a continuance of the hearing, the governing authority may authorize the creation of the program.

NEW SECTION. Sec. 5. An owner of underdeveloped property seeking a sales and use tax deferral under this chapter on an investment project must complete the following procedures:

(1) The owner must apply to the city on forms adopted by the governing authority. The application must contain the following:

(a) Information setting forth the grounds supporting the requested deferral including information indicated on the application form or in the guidelines;

(b) A description of the investment project and site plan, and other information requested;

(c) A statement of the expected number of affordable housing units to be created;

(d) A statement that the applicant is aware of the potential tax liability involved if the investment project ceases to be used for eligible uses under this chapter;

(e) A statement that the applicant is aware that the investment project must be

completed within three years from the date of approval of the application;

(f) A statement that the applicant is aware that the governing authority or the city official authorized by the governing authority may extend the deadline for completion of construction or rehabilitation for a period not to exceed 24 consecutive months; and

(g) A statement that the applicant would not have built in this location but for the availability of the tax deferral under this chapter;

(2) The applicant must verify the application by oath or affirmation; and

(3) The application must be accompanied by the application fee, if any, required under this chapter. The duly authorized administrative official or committee of the city may permit the applicant to revise an application before final action by the duly authorized administrative official or committee of the city.

NEW SECTION. **Sec. 6.** The duly authorized administrative official or committee of the city may approve the application and grant a conditional certificate of program approval if it finds that:

(1)(a) The investment project is set aside primarily for multifamily housing units and the applicant commits to renting or selling at least 50 percent of the units as affordable rental housing or affordable homeownership housing to very low, low, and moderate-income households. In a mixed use project, only the ground floor of a building may be used for commercial purposes with the remainder dedicated to multifamily housing units;

(b) At least 50 percent of the investment project set aside for multifamily housing units will be rented at a price at or below fair market rent for the county or sold at a price at or below county median price; and

(c) The applicant commits to any additional affordability and income eligibility conditions adopted by the local government under this chapter not otherwise inconsistent with this chapter;

(2) The investment project is, or will be, at the time of completion, in conformance with all local plans and

regulations that apply at the time the application is approved;

(3) The investment project will occur on land that constitutes underdeveloped property;

(4) The area where the investment project will occur is located within an area zoned for residential or mixed uses;

(5) The terms and conditions of the implementation of the development meets the requirements of this chapter and any requirements of the city that are not otherwise inconsistent with this chapter;

(6) The land where the investment project will occur was not acquired through a condemnation proceeding under Title 8 RCW; and

(7) All other requirements of this chapter have been satisfied as well as any other requirements of the city that are not otherwise inconsistent with this chapter.

NEW SECTION. **Sec. 7.** (1) The duly authorized administrative official or committee of the city must approve or deny an application filed under this chapter within 90 days after receipt of the application.

(2) If the application is approved, the city must issue the applicant a conditional certificate of program approval. The certificate must contain a statement by a duly authorized administrative official of the governing authority that the investment project as described in the application will comply with the required criteria of this chapter.

(3) If the application is denied by the city, the city must state in writing the reasons for denial and send the notice to the applicant at the applicant's last known address within 10 days of the denial.

(4) Upon denial by the city, an applicant may appeal the denial to the city's governing authority or a city official designated by the city to hear such appeals within 30 days after receipt of the denial. The appeal before the city's governing authority or designated city official must be based upon the record made before the city with the burden of proof on the applicant to show that there was no substantial evidence to support the city's decision. The decision of the city on the appeal is final.

NEW SECTION. **Sec. 8.** The governing authority may establish an application fee. This fee may not exceed an amount determined to be required to cover the cost to be incurred by the governing authority in administering the program under this chapter. The application fee must be paid at the time the application for program approval is filed.

NEW SECTION. **Sec. 9.** (1) Within 30 days of the issuance of a certificate of occupancy for an eligible investment project, the conditional recipient must file with the city the following:

(a) A description of the work that has been completed and a statement that the eligible investment project qualifies the property for a sales and use tax deferral under this chapter;

(b) A statement of the new affordable housing to be offered as a result of the new construction; and

(c) A statement that the work has been completed within three years of the issuance of the conditional certificate of program approval.

(2) Within 30 days after receipt of the statements required under subsection (1) of this section, the city must determine and notify the conditional recipient as to whether the work completed and the affordable housing to be offered are consistent with the application and the contract approved by the city, and the investment project continues to qualify for a tax deferral under this chapter. The conditional recipient must notify the department within 30 days from receiving the city's determination to schedule an audit of the deferred taxes. The department must determine the amount of sales and use taxes qualifying for the deferral. If the department determines that purchases were not eligible for deferral it must assess interest, but not penalties, on the nonqualifying amounts.

(3) The city must notify the conditional recipient within 30 days that a tax deferral under this chapter is denied if the city determines that:

(a) The work was not completed within three years of the application date;

(b) The work was not constructed consistent with the application or other applicable requirements;

(c) The affordable housing units to be offered are not consistent with the

application and criteria of this chapter; or

(d) The owner's property is otherwise not qualified for a sales and use tax deferral under this chapter.

(4) If the city finds that the work was not completed within the required time period due to circumstances beyond the control of the conditional recipient and that the conditional recipient has been acting and could reasonably be expected to act in good faith and with due diligence, the governing authority may extend the deadline for completion of the work for a period not to exceed 24 consecutive months.

(5) The city's governing authority may enact an ordinance to provide a process for a conditional recipient to appeal a decision by the city that the conditional recipient is not entitled to a deferral of sales and use taxes. The conditional recipient may appeal a decision by the city to deny a deferral of sales and use taxes in superior court under RCW 34.05.510 through 34.05.598, if the appeal is filed within 30 days of notification by the city to the conditional recipient.

(6) A city denying a conditional recipient of a sales and use tax deferral under subsection (3) of this section must notify the department and taxes deferred under this chapter are immediately due and payable, subject to any appeal by the conditional recipient. The department must assess interest at the rate provided for delinquent taxes and penalties retroactively to the date of deferral. A debt for deferred taxes will not be extinguished by insolvency or other failure of the recipient.

NEW SECTION. **Sec. 10.** (1) Thirty days after the anniversary of the date of issuance of the certificate of occupancy and each year thereafter for 10 years, the conditional recipient must file with a designated authorized representative of the city an annual report indicating the following:

(a) A statement of the affordable housing units constructed on the property as of the anniversary date;

(b) A certification by the conditional recipient that the property has not changed use;

(c) A description of changes or improvements constructed after issuance of the certificate of occupancy; and

(d) Any additional information requested by the city.

(2) The conditional recipient of a deferral of taxes under this chapter must file a complete annual tax performance report with the department pursuant to RCW 82.32.534 beginning the year the certificate of occupancy is issued and each year thereafter for 10 years.

(3) A city that issues a certificate of program approval under this chapter must report annually by December 31st of each year, beginning in 2022, to the department of commerce. The report must include the following information:

(a) The number of program approval certificates granted;

(b) The total number and type of new buildings constructed;

(c) The number of affordable housing units resulting from the new construction; and

(d) The estimated value of the sales and use tax deferral for each investment project receiving a program approval and the total estimated value of sales and use tax deferrals granted.

NEW SECTION. Sec. 11. (1) A conditional recipient must submit an application to the department before initiation of the construction of the investment project. In the case of an investment project involving multiple qualified buildings, applications must be made for, and before the initiation of construction of, each qualified building. The application must be made to the department in a form and manner prescribed by the department. The application must include a copy of the conditional certificate of program approval issued by the city, estimated construction costs, time schedules for completion and operation, and any other information required by the department. The department must rule on the application within 60 days.

(2) The department must provide information to the conditional recipient regarding documentation that must be retained by the conditional recipient in order to substantiate the amount of sales and use tax actually deferred under this chapter.

(3) The department may not accept applications for the deferral under this chapter after June 30, 2032.

(4) The application must include a waiver by the conditional recipient of the four-year limitation under RCW 82.32.100.

(5) This section expires July 1, 2032.

NEW SECTION. Sec. 12. (1) After receiving the conditional certificate of program approval issued by the city and provided to the department by the applicant, the department must issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW on each eligible investment project.

(2) The department must keep a running total of all estimated sales and use tax deferrals provided under this chapter during each fiscal biennium.

(3) The deferral certificate is valid during active construction of a qualified investment project and expires on the day the city issues a certificate of occupancy for the investment project for which a deferral certificate was issued.

(4) This section expires July 1, 2032.

NEW SECTION. Sec. 13. (1) If a conditional recipient voluntarily opts to discontinue compliance with the requirements of this chapter, the recipient must notify the city and department within 60 days of the change in use or intended discontinuance.

(2) If, after the department has issued a sales and use tax deferral certificate and the conditional recipient has received a certificate of occupancy, the city finds that a portion of an investment project is changed or will be changed to disqualify the recipient for sales and use tax deferral eligibility under this chapter, the city must notify the department and all deferred sales and use taxes are immediately due and payable. The department must assess interest at the rate provided for delinquent taxes and penalties retroactively to the date of deferral. A debt for deferred taxes will not be extinguished by insolvency or other failure of the recipient.

(3) This section does not apply after 10 years from the date of the certificate of occupancy.

NEW SECTION. **Sec. 14.** (1) Transfer of investment project ownership does not terminate the deferral. The deferral is transferred subject to the successor meeting the eligibility requirements of this chapter.

(2) The transferor of an eligible project must notify the city and the department of such transfer. The city must certify to the department that the successor meets the requirements of the deferral. The transferor must provide the information necessary for the department to transfer the deferral. If the transferor fails to notify the city and the department, all deferred sales and use taxes are immediately due and payable. The department must assess interest at the rate provided for delinquent taxes and penalties retroactively to the date of deferral.

NEW SECTION. **Sec. 15.** (1) This section is the tax preference performance statement for the tax preference contained in chapter . . . , Laws of 2022 (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 induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature's specific public policy objective to expand affordable housing options for very low to moderate-income households, specifically in underdeveloped urban areas.

(4)(a) To measure the effectiveness of the tax preference in this act, the joint legislative audit and review committee must evaluate the number of increased housing units on underdeveloped property. If a review finds that the number of affordable housing units has not increased, then the legislature intends to repeal this tax preference.

(b) The review must be provided to the fiscal committees of the legislature by December 31, 2030.

(5) 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 any available data source, including data collected by the department under section 10 of this act.

NEW SECTION. **Sec. 16.** Sections 1 through 14 of this act constitute a new chapter in Title 82 RCW.

NEW SECTION. **Sec. 17.** 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 Frame, Chair; Berg, Vice Chair; Walen, Vice Chair; Chopp; Harris-Talley; Morgan; Orwall; Ramel; Springer; Thai and Wylie.

MINORITY recommendation: Without recommendation. Signed by Representative Chase.

MINORITY recommendation: Do not pass. Signed by Representatives Orcutt, Ranking Minority Member; Dufault, Assistant Ranking Minority Member; Stokesbary; Vick and Young.

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 eighth order of business.

MOTION

There being no objection, the Committee on Rules was relieved of the following bills and the bills were placed on the second reading calendar:

SUBSTITUTE SENATE BILL NO. 5799
ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5755
ENGROSSED SENATE BILL NO. 5901
ENGROSSED SENATE BILL NO. 5849
ENGROSSED SUBSTITUTE SENATE BILL NO.
5980
ENGROSSED SUBSTITUTE SENATE BILL NO.
5714

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

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

MESSAGES FROM THE SENATE

March 9, 2022

Mme. SPEAKER:

The Senate has granted the request of the House for a Conference on SUBSTITUTE HOUSE BILL NO. 1876. The President has appointed the following members as Conferees: Hunt, Kuderer, Wilson, J.

and the same is herewith transmitted.

Sarah Bannister, Secretary

March 9, 2022

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

SUBSTITUTE SENATE BILL NO. 5651,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5874,
SUBSTITUTE SENATE BILL NO. 5910,

and the same are herewith transmitted.

Sarah Bannister, Secretary

March 9, 2022

Mme. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL NO. 5664,
SENATE BILL NO. 5687,
SECOND SUBSTITUTE SENATE BILL NO. 5695,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
5702,
SENATE BILL NO. 5713,
SECOND SUBSTITUTE SENATE BILL NO. 5720,
SUBSTITUTE SENATE BILL NO. 5729,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5761,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
5764,
SENATE BILL NO. 5788,
SECOND SUBSTITUTE SENATE BILL NO. 5789,
SUBSTITUTE SENATE BILL NO. 5790,
SECOND SUBSTITUTE SENATE BILL NO. 5793,

and the same are herewith transmitted.

Sarah Bannister, Secretary

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

THIRD READING

MESSAGE FROM THE SENATE

March 3, 2022

Madame Speaker:

The Senate has passed ENGROSSED FOURTH SUBSTITUTE HOUSE BILL NO. 1412 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 3.66.120 and 2001 c 115 s 1 are each amended to read as follows:

(1) All court-ordered restitution obligations that are ordered as a result of a conviction for a criminal offense in a court of limited jurisdiction may be enforced in the same manner as a judgment in a civil action by the party or entity to whom the legal financial obligation is owed. The judgment and sentence must identify the party or entity to whom restitution is owed so that the state, party, or entity may enforce the judgment.

(2) At any time, including at sentencing, the court may determine that the offender is not required to pay, or may relieve the offender of the requirement to pay, full or partial restitution and accrued interest on restitution where the entity to whom restitution is owed is an insurer or state agency, except for restitution owed to the department of labor and industries under chapter 7.68 RCW, if the court finds that the offender does not have the current or likely future ability to pay. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). For the purposes of this subsection, the terms "insurer" and "state agency" have the same meanings as provided in RCW 9.94A.750(3).

(3) All court-ordered restitution obligations may be enforced at any time during the (~~ten-year~~) 10-year period following the offender's release from total confinement or within (~~ten~~) 10 years of entry of the judgment and sentence, whichever period is longer. Prior to the expiration of the initial (~~ten-year~~) 10-year period, the court may extend the criminal judgment an additional (~~ten~~) 10 years for payment of court-ordered restitution only if the court finds that the offender has not made a good faith attempt to pay.

(4) The party or entity to whom the court-ordered restitution obligation is owed may utilize any other remedies available to the party or entity to

collect the court-ordered financial obligation.

(5) Nothing in this section may be construed to deprive the court of the authority to determine whether the offender's failure to pay the legal financial obligation constitutes a violation of a condition of probation or to impose a sanction upon the offender if such a violation is found.

Sec. 2. RCW 9.94A.750 and 2018 c 123 s 1 are each amended to read as follows:

This section applies to offenses committed on or before July 1, 1985.

(1) If restitution is ordered, the court shall determine the amount of restitution due at the sentencing hearing or within ~~((one hundred eighty))~~ 180 days. The court may continue the hearing beyond the ~~((one hundred eighty))~~ 180 days for good cause. The court shall then set a minimum monthly payment that the offender is required to make towards the restitution that is ordered. The court shall not issue any order that postpones the commencement of restitution payments until after the offender is released from total confinement. The court should take into consideration the total amount of the restitution owed, the offender's present, past, and future ability to pay, as well as any assets that the offender may have. An offender's inability to make restitution payments while in total confinement may not be the basis for a violation of his or her sentence unless his or her inability to make payments resulted from a refusal to accept an employment offer to a class I or class II job or a termination for cause from such a job.

(2) During the period of supervision, the community corrections officer may examine the offender to determine if there has been a change in circumstances that warrants an amendment of the monthly payment schedule. The community corrections officer may recommend a change to the schedule of payment and shall inform the court of the recommended change and the reasons for the change. The sentencing court may then reset the monthly minimum payments based on the report from the community corrections officer of the change in circumstances.

(3) (a) Except as provided in subsection (6) of this section, restitution ordered by a court pursuant to a criminal conviction shall be based on easily ascertainable damages for

injury to or loss of property, actual expenses incurred for treatment for injury to persons, and lost wages resulting from injury. Restitution shall not include reimbursement for damages for mental anguish, pain and suffering, or other intangible losses, but may include the costs of counseling reasonably related to the offense. The amount of restitution shall not exceed double the amount of the offender's gain or the victim's loss from the commission of the offense.

(b) At any time, including at sentencing, the court may determine that the offender is not required to pay, or may relieve the offender of the requirement to pay, full or partial restitution and accrued interest on restitution where the entity to whom restitution is owed is an insurer or state agency, except for restitution owed to the department of labor and industries under chapter 7.68 RCW, if the court finds that the offender does not have the current or likely future ability to pay. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). For the purposes of this subsection:

(i) "Insurer" means any insurer as defined and authorized under Title 48 RCW. "Insurer" does not include an individual self-insurance program or joint self-insurance program.

(ii) "Self-insurance" means a formal program of advance funding and management of entity financial exposure to a risk of loss that is not transferred through the purchase of an insurance policy or contract.

(iii) "State agency" has the same meaning as provided in RCW 42.56.010(1).

(4) For the purposes of this section, the offender shall remain under the court's jurisdiction for a term of ~~((ten))~~ 10 years following the offender's release from total confinement or ~~((ten))~~ 10 years subsequent to the entry of the judgment and sentence, whichever period is longer. Prior to the expiration of the initial ~~((ten-year))~~ 10-year period, the superior court may extend jurisdiction under the criminal judgment an additional ~~((ten))~~ 10 years for payment of restitution. The portion of the sentence concerning restitution may be modified as to amount, terms and conditions during either the initial ~~((ten-year))~~ 10-year period or subsequent ~~((ten-year))~~ 10-

year period if the criminal judgment is extended, regardless of the expiration of the offender's term of community supervision and regardless of the statutory maximum sentence for the crime. The court may not reduce the total amount of restitution ordered because the offender may lack the ability to pay the total amount. The offender's compliance with the restitution shall be supervised by the department only during any period which the department is authorized to supervise the offender in the community under RCW 9.94A.728, 9.94A.501, or in which the offender is in confinement in a state correctional institution or a correctional facility pursuant to a transfer agreement with the department, and the department shall supervise the offender's compliance during any such period. The department is responsible for supervision of the offender only during confinement and authorized supervision and not during any subsequent period in which the offender remains under the court's jurisdiction. The county clerk is authorized to collect unpaid restitution at any time the offender remains under the jurisdiction of the court for purposes of his or her legal financial obligations.

(5) Restitution may be ordered whenever the offender is convicted of an offense which results in injury to any person or damage to or loss of property or as provided in subsection (6) of this section. In addition, restitution may be ordered to pay for an injury, loss, or damage if the offender pleads guilty to a lesser offense or fewer offenses and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim of an offense or offenses which are not prosecuted pursuant to a plea agreement.

(6) Restitution for the crime of rape of a child in the first, second, or third degree, in which the victim becomes pregnant, shall include: (a) All of the victim's medical expenses that are associated with the rape and resulting pregnancy; and (b) child support for any child born as a result of the rape if child support is ordered pursuant to a proceeding in superior court or administrative order for support for that child. The clerk must forward any restitution payments made on behalf of the victim's child to the Washington state child support registry under chapter 26.23 RCW. Identifying information about the victim and child

shall not be included in the order. The offender shall receive a credit against any obligation owing under the administrative or superior court order for support of the victim's child. For the purposes of this subsection, the offender shall remain under the court's jurisdiction until the offender has satisfied support obligations under the superior court or administrative order but not longer than a maximum term of ~~((twenty-five))~~ 25 years following the offender's release from total confinement or ~~((twenty-five))~~ 25 years subsequent to the entry of the judgment and sentence, whichever period is longer. The court may not reduce the total amount of restitution ordered because the offender may lack the ability to pay the total amount. The department shall supervise the offender's compliance with the restitution ordered under this subsection.

(7) In addition to any sentence that may be imposed, an offender who has been found guilty of an offense involving fraud or other deceptive practice or an organization which has been found guilty of any such offense may be ordered by the sentencing court to give notice of the conviction to the class of persons or to the sector of the public affected by the conviction or financially interested in the subject matter of the offense by mail, by advertising in designated areas or through designated media, or by other appropriate means.

(8) This section does not limit civil remedies or defenses available to the victim or offender including support enforcement remedies for support ordered under subsection (6) of this section for a child born as a result of a rape of a child victim. The court shall identify in the judgment and sentence the victim or victims entitled to restitution and what amount is due each victim. The state or victim may enforce the court-ordered restitution in the same manner as a judgment in a civil action. Restitution collected through civil enforcement must be paid through the registry of the court and must be distributed proportionately according to each victim's loss when there is more than one victim.

Sec. 3. RCW 9.94A.753 and 2018 c 123 s 2 are each amended to read as follows:

This section applies to offenses committed after July 1, 1985.

(1) When restitution is ordered, the court shall determine the amount of restitution due at the sentencing hearing or within (~~one hundred eighty~~) 180 days except as provided in subsection (7) of this section. The court may continue the hearing beyond the (~~one hundred eighty~~) 180 days for good cause. The court shall then set a minimum monthly payment that the offender is required to make towards the restitution that is ordered. The court shall not issue any order that postpones the commencement of restitution payments until after the offender is released from total confinement. The court should take into consideration the total amount of the restitution owed, the offender's present, past, and future ability to pay, as well as any assets that the offender may have. An offender's inability to make restitution payments while in total confinement may not be the basis for a violation of his or her sentence unless his or her inability to make payments resulted from a refusal to accept an employment offer to a class I or class II job or a termination for cause from such a job.

(2) During the period of supervision, the community corrections officer may examine the offender to determine if there has been a change in circumstances that warrants an amendment of the monthly payment schedule. The community corrections officer may recommend a change to the schedule of payment and shall inform the court of the recommended change and the reasons for the change. The sentencing court may then reset the monthly minimum payments based on the report from the community corrections officer of the change in circumstances.

(3) (a) Except as provided in subsection (6) of this section, restitution ordered by a court pursuant to a criminal conviction shall be based on easily ascertainable damages for injury to or loss of property, actual expenses incurred for treatment for injury to persons, and lost wages resulting from injury. Restitution shall not include reimbursement for damages for mental anguish, pain and suffering, or other intangible losses, but may include the costs of counseling reasonably related to the offense. The amount of restitution shall not exceed double the amount of the offender's gain or the victim's loss from the commission of the crime.

(b) At any time, including at sentencing, the court may determine that the offender is not required to pay, or may relieve the offender of the requirement to pay, full or partial restitution and accrued interest on restitution where the entity to whom restitution is owed is an insurer or state agency, except for restitution owed to the department of labor and industries under chapter 7.68 RCW, if the court finds that the offender does not have the current or likely future ability to pay. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). For the purposes of this subsection, the terms "insurer" and "state agency" have the same meanings as provided in RCW 9.94A.750(3).

(4) For the purposes of this section, for an offense committed prior to July 1, 2000, the offender shall remain under the court's jurisdiction for a term of (~~ten~~) 10 years following the offender's release from total confinement or (~~ten~~) 10 years subsequent to the entry of the judgment and sentence, whichever period ends later. Prior to the expiration of the initial (~~ten-year~~) 10-year period, the superior court may extend jurisdiction under the criminal judgment an additional (~~ten~~) 10 years for payment of restitution. For an offense committed on or after July 1, 2000, the offender shall remain under the court's jurisdiction until the obligation is completely satisfied, regardless of the statutory maximum for the crime. The portion of the sentence concerning restitution may be modified as to amount, terms, and conditions during any period of time the offender remains under the court's jurisdiction, regardless of the expiration of the offender's term of community supervision and regardless of the statutory maximum sentence for the crime. The court may not reduce the total amount of restitution ordered because the offender may lack the ability to pay the total amount. The offender's compliance with the restitution shall be supervised by the department only during any period which the department is authorized to supervise the offender in the community under RCW 9.94A.728, 9.94A.501, or in which the offender is in confinement in a state correctional institution or a correctional facility pursuant to a transfer agreement with the department, and the department shall supervise the offender's compliance during any such

period. The department is responsible for supervision of the offender only during confinement and authorized supervision and not during any subsequent period in which the offender remains under the court's jurisdiction. The county clerk is authorized to collect unpaid restitution at any time the offender remains under the jurisdiction of the court for purposes of his or her legal financial obligations.

(5) Restitution shall be ordered whenever the offender is convicted of an offense which results in injury to any person or damage to or loss of property or as provided in subsection (6) of this section unless extraordinary circumstances exist which make restitution inappropriate in the court's judgment and the court sets forth such circumstances in the record. In addition, restitution shall be ordered to pay for an injury, loss, or damage if the offender pleads guilty to a lesser offense or fewer offenses and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim of an offense or offenses which are not prosecuted pursuant to a plea agreement.

(6) Restitution for the crime of rape of a child in the first, second, or third degree, in which the victim becomes pregnant, shall include: (a) All of the victim's medical expenses that are associated with the rape and resulting pregnancy; and (b) child support for any child born as a result of the rape if child support is ordered pursuant to a civil superior court or administrative order for support for that child. The clerk must forward any restitution payments made on behalf of the victim's child to the Washington state child support registry under chapter 26.23 RCW. Identifying information about the victim and child shall not be included in the order. The offender shall receive a credit against any obligation owing under the administrative or superior court order for support of the victim's child. For the purposes of this subsection, the offender shall remain under the court's jurisdiction until the offender has satisfied support obligations under the superior court or administrative order for the period provided in RCW 4.16.020 or a maximum term of (~~twenty-five~~) 25 years following the offender's release from total confinement or (~~twenty-five~~) 25 years subsequent to the entry of the judgment and sentence, whichever

period is longer. The court may not reduce the total amount of restitution ordered because the offender may lack the ability to pay the total amount. The department shall supervise the offender's compliance with the restitution ordered under this subsection.

(7) Regardless of the provisions of subsections (1) through (6) of this section, the court shall order restitution in all cases where the victim is entitled to benefits under the crime victims' compensation act, chapter 7.68 RCW. If the court does not order restitution and the victim of the crime has been determined to be entitled to benefits under the crime victims' compensation act, the department of labor and industries, as administrator of the crime victims' compensation program, may petition the court within one year of entry of the judgment and sentence for entry of a restitution order. Upon receipt of a petition from the department of labor and industries, the court shall hold a restitution hearing and shall enter a restitution order.

(8) In addition to any sentence that may be imposed, an offender who has been found guilty of an offense involving fraud or other deceptive practice or an organization which has been found guilty of any such offense may be ordered by the sentencing court to give notice of the conviction to the class of persons or to the sector of the public affected by the conviction or financially interested in the subject matter of the offense by mail, by advertising in designated areas or through designated media, or by other appropriate means.

(9) This section does not limit civil remedies or defenses available to the victim, survivors of the victim, or offender including support enforcement remedies for support ordered under subsection (6) of this section for a child born as a result of a rape of a child victim. The court shall identify in the judgment and sentence the victim or victims entitled to restitution and what amount is due each victim. The state or victim may enforce the court-ordered restitution in the same manner as a judgment in a civil action. Restitution collected through civil enforcement must be paid through the registry of the court and must be distributed proportionately according to each victim's loss when there is more than one victim.

(10) If a person has caused a victim to lose money or property through the filing of a vehicle report of sale in which the designated buyer had no knowledge of the vehicle transfer or the fraudulent filing of the report of sale, upon conviction or when the offender pleads guilty and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim, the court may order the defendant to pay an amount, fixed by the court, not to exceed double the amount of the defendant's gain or victim's loss from the filing of the vehicle report of sale in which the designated buyer had no knowledge of the vehicle transfer or the fraudulent filing of the report of sale. Such an amount may be used to provide restitution to the victim at the order of the court. It is the duty of the prosecuting attorney to investigate the alternative of restitution, and to recommend it to the court, when the prosecuting attorney believes that restitution is appropriate and feasible. If the court orders restitution, the court must make a finding as to the amount of the victim's loss due to the filing of the report of sale in which the designated buyer had no knowledge of the vehicle transfer or the fraudulent filing of the report of sale, and if the record does not contain sufficient evidence to support such finding, the court may conduct a hearing upon the issue. For purposes of this section, "loss" refers to the amount of money or the value of property or services lost.

Sec. 4. RCW 9.94A.760 and 2018 c 269 s 14 are each amended to read as follows:

(1) Whenever a person is convicted in superior court, the court may order the payment of a legal financial obligation as part of the sentence. The court may not order an offender to pay costs as described in RCW 10.01.160 if the court finds that the offender at the time of sentencing is indigent as defined in RCW ~~((10.101.010(3) (a) through (e)))~~ 10.01.160(3). An offender being indigent as defined in RCW ~~((10.101.010(3) (a) through (e)))~~ 10.01.160(3) is not grounds for failing to impose restitution or the crime victim penalty assessment under RCW 7.68.035. The court must on either the judgment and sentence or on a subsequent order to pay, designate the total amount of a legal financial obligation and segregate this amount among the separate assessments made for restitution, costs, fines, and other assessments required by

law. On the same order, the court is also to set a sum that the offender is required to pay on a monthly basis towards satisfying the legal financial obligation. If the court fails to set the offender monthly payment amount, the department shall set the amount if the department has active supervision of the offender, otherwise the county clerk shall set the amount.

(2) Upon receipt of each payment made by or on behalf of an offender, the county clerk shall distribute the payment in the following order of priority until satisfied:

(a) First, proportionally to restitution to victims that have not been fully compensated from other sources;

(b) Second, proportionally to restitution to insurance or other sources with respect to a loss that has provided compensation to victims;

(c) Third, proportionally to crime victims' assessments; and

(d) Fourth, proportionally to costs, fines, and other assessments required by law.

(3) If the court determines that the offender, at the time of sentencing, has the means to pay for the cost of incarceration, the court may require the offender to pay for the cost of incarceration. The court shall not order the offender to pay the cost of incarceration if the court finds that the offender at the time of sentencing is indigent as defined in RCW ~~((10.101.010(3) (a) through (e)))~~ 10.01.160(3). Costs of incarceration ordered by the court shall not exceed a rate of ~~((fifty dollars))~~ \$50 per day of incarceration, if incarcerated in a prison, or the actual cost of incarceration per day of incarceration, if incarcerated in a county jail. In no case may the court require the offender to pay more than ~~((one hundred dollars))~~ \$100 per day for the cost of incarceration. All funds recovered from offenders for the cost of incarceration in the county jail shall be remitted to the county and the costs of incarceration in a prison shall be remitted to the department.

(4) The court may add to the judgment and sentence or subsequent order to pay a statement that a notice of payroll deduction is to be issued immediately. If the court chooses not to order the

immediate issuance of a notice of payroll deduction at sentencing, the court shall add to the judgment and sentence or subsequent order to pay a statement that a notice of payroll deduction may be issued or other income-withholding action may be taken, without further notice to the offender if a monthly court-ordered legal financial obligation payment is not paid when due, and an amount equal to or greater than the amount payable for one month is owed.

If a judgment and sentence or subsequent order to pay does not include the statement that a notice of payroll deduction may be issued or other income-withholding action may be taken if a monthly legal financial obligation payment is past due, the department or the county clerk may serve a notice on the offender stating such requirements and authorizations. Service shall be by personal service or any form of mail requiring a return receipt.

(5) (a) Independent of the department or the county clerk, the party or entity to whom the legal financial obligation is owed shall have the authority to use any other remedies available to the party or entity to collect the legal financial obligation. These remedies include enforcement in the same manner as a judgment in a civil action by the party or entity to whom the legal financial obligation is owed. Restitution collected through civil enforcement must be paid through the registry of the court and must be distributed proportionately according to each victim's loss when there is more than one victim. The judgment and sentence shall identify the party or entity to whom restitution is owed so that the state, party, or entity may enforce the judgment.

(b) If restitution is ordered pursuant to RCW 9.94A.750(6) or 9.94A.753(6) to a victim of rape of a child or a victim's child born from the rape, the Washington state child support registry shall be identified as the party to whom payments must be made. Restitution obligations arising from the rape of a child in the first, second, or third degree that result in the pregnancy of the victim may be enforced for the time periods provided under RCW 9.94A.750(6) and 9.94A.753(6).

(c) All other ~~((legal financial))~~ restitution obligations for an offense committed prior to July 1, 2000, may be enforced at any time during the ~~((ten-year))~~ 10-year period following the

offender's release from total confinement or within ~~((ten))~~ 10 years of entry of the judgment and sentence, whichever period ends later. Prior to the expiration of the initial ~~((ten-year))~~ 10-year period, the superior court may extend the criminal judgment an additional ~~((ten))~~ 10 years for payment of ~~((legal financial))~~ restitution obligations ~~((including crime victims' assessments))~~. All other ~~((legal financial))~~ restitution obligations for an offense committed on or after July 1, 2000, may be enforced at any time the offender remains under the court's jurisdiction. For an offense committed on or after July 1, 2000, the court shall retain jurisdiction over the offender, for purposes of the offender's compliance with payment of the ~~((legal financial))~~ restitution obligations, until the obligation is completely satisfied, regardless of the statutory maximum for the crime.

(d) All other legal financial obligations other than restitution may be enforced at any time during the 10-year period following the offender's release from total confinement or within 10 years of entry of the judgment and sentence, whichever period ends later. Prior to the expiration of the initial 10-year period, the superior court may extend the criminal judgment an additional 10 years for payment of nonrestitution legal financial obligations only if the court finds that the offender has the current or likely future ability to pay the obligations. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3).

(e) The department may only supervise the offender's compliance with payment of the legal financial obligations during any period in which the department is authorized to supervise the offender in the community under RCW 9.94A.728, 9.94A.501, or in which the offender is confined in a state correctional institution or a correctional facility pursuant to a transfer agreement with the department, and the department shall supervise the offender's compliance during any such period. The department is not responsible for supervision of the offender during any subsequent period of time the offender remains under the court's jurisdiction. The county clerk is authorized to collect unpaid legal financial obligations at any time the offender remains under the jurisdiction

of the court for purposes of his or her legal financial obligations.

(6) In order to assist the court in setting a monthly sum that the offender must pay during the period of supervision, the offender is required to report to the department for purposes of preparing a recommendation to the court. When reporting, the offender is required, under oath, to respond truthfully and honestly to all questions concerning present, past, and future earning capabilities and the location and nature of all property or financial assets. The offender is further required to bring all documents requested by the department.

(7) After completing the investigation, the department shall make a report to the court on the amount of the monthly payment that the offender should be required to make towards a satisfied legal financial obligation.

(8)(a) During the period of supervision, the department may make a recommendation to the court that the offender's monthly payment schedule be modified so as to reflect a change in financial circumstances. If the department sets the monthly payment amount, the department may modify the monthly payment amount without the matter being returned to the court. During the period of supervision, the department may require the offender to report to the department for the purposes of reviewing the appropriateness of the collection schedule for the legal financial obligation. During this reporting, the offender is required under oath to respond truthfully and honestly to all questions concerning earning capabilities and the location and nature of all property or financial assets. The offender shall bring all documents requested by the department in order to prepare the collection schedule.

(b) Subsequent to any period of supervision, or if the department is not authorized to supervise the offender in the community, the county clerk may make a recommendation to the court that the offender's monthly payment schedule be modified so as to reflect a change in financial circumstances. If the county clerk sets the monthly payment amount, or if the department set the monthly payment amount and the department has subsequently turned the collection of the legal financial obligation over to the county clerk, the clerk may modify the monthly payment amount without the matter

being returned to the court. During the period of repayment, the county clerk may require the offender to report to the clerk for the purpose of reviewing the appropriateness of the collection schedule for the legal financial obligation. During this reporting, the offender is required under oath to respond truthfully and honestly to all questions concerning earning capabilities and the location and nature of all property or financial assets. The offender shall bring all documents requested by the county clerk in order to prepare the collection schedule.

(9) After the judgment and sentence or payment order is entered, the department is authorized, for any period of supervision, to collect the legal financial obligation from the offender. Subsequent to any period of supervision or, if the department is not authorized to supervise the offender in the community, the county clerk is authorized to collect unpaid legal financial obligations from the offender. Any amount collected by the department shall be remitted daily to the county clerk for the purpose of disbursements. The department and the county clerks are authorized, but not required, to accept credit cards as payment for a legal financial obligation, and any costs incurred related to accepting credit card payments shall be the responsibility of the offender.

(10) The department or any obligee of the legal financial obligation may seek a mandatory wage assignment for the purposes of obtaining satisfaction for the legal financial obligation pursuant to RCW 9.94A.7701. Any party obtaining a wage assignment shall notify the county clerk. The county clerks shall notify the department, or the administrative office of the courts, whichever is providing the monthly billing for the offender.

(11) The requirement that the offender pay a monthly sum towards a legal financial obligation constitutes a condition or requirement of a sentence and the offender is subject to the penalties for noncompliance as provided in RCW 9.94B.040, 9.94A.737, or 9.94A.740. If the court determines that the offender is homeless or a person who is mentally ill, as defined in RCW 71.24.025, failure to pay a legal financial obligation is not willful noncompliance and shall not subject the offender to penalties.

(12)(a) The administrative office of the courts shall mail individualized periodic billings to the address known by the office for each offender with an unsatisfied legal financial obligation.

(b) The billing shall direct payments, other than outstanding cost of supervision assessments under RCW 9.94A.780, parole assessments under RCW 72.04A.120, and cost of probation assessments under RCW 9.95.214, to the county clerk, and cost of supervision, parole, or probation assessments to the department.

(c) The county clerk shall provide the administrative office of the courts with notice of payments by such offenders no less frequently than weekly.

(d) The county clerks, the administrative office of the courts, and the department shall maintain agreements to implement this subsection.

(13) The department shall arrange for the collection of unpaid legal financial obligations during any period of supervision in the community through the county clerk. The department shall either collect unpaid legal financial obligations or arrange for collections through another entity if the clerk does not assume responsibility or is unable to continue to assume responsibility for collection pursuant to subsection (5) of this section. The costs for collection services shall be paid by the offender.

(14) The county clerk may access the records of the employment security department for the purposes of verifying employment or income, seeking any assignment of wages, or performing other duties necessary to the collection of an offender's legal financial obligations.

(15) Nothing in this chapter makes the department, the state, the counties, or any state or county employees, agents, or other persons acting on their behalf liable under any circumstances for the payment of these legal financial obligations or for the acts of any offender who is no longer, or was not, subject to supervision by the department for a term of community custody, and who remains under the jurisdiction of the court for payment of legal financial obligations.

Sec. 5. RCW 6.17.020 and 2002 c 261 s 1 are each amended to read as follows:

(1) Except as provided in subsections (2), (3), and (4) of this section, the party in whose favor a judgment of a court has been or may be filed or rendered, or the assignee or the current holder thereof, may have an execution, garnishment, or other legal process issued for the collection or enforcement of the judgment at any time within ~~((ten))~~ 10 years from entry of the judgment or the filing of the judgment in this state.

(2) After July 23, 1989, a party who obtains a judgment or order of a court or an administrative order entered as defined in RCW 74.20A.020(6) for accrued child support, or the assignee or the current holder thereof, may have an execution, garnishment, or other legal process issued upon that judgment or order at any time within ~~((ten))~~ 10 years of the ~~((eighteenth))~~ 18th birthday of the youngest child named in the order for whom support is ordered.

(3) After June 9, 1994, a party in whose favor a judgment has been filed as a foreign judgment or rendered pursuant to subsection (1) or (4) of this section, or the assignee or the current holder thereof, may, within ~~((ninety))~~ 90 days before the expiration of the original ~~((ten-year))~~ 10-year period, apply to the court that rendered the judgment or to the court where the judgment was filed as a foreign judgment for an order granting an additional ~~((ten))~~ 10 years during which an execution, garnishment, or other legal process may be issued. If a district court judgment of this state is transcribed to a superior court of this state, the original district court judgment shall not be extended and any petition under this section to extend the judgment that has been transcribed to superior court shall be filed in the superior court within ~~((ninety))~~ 90 days before the expiration of the ~~((ten-year))~~ 10-year period of the date the transcript of the district court judgment was filed in the superior court of this state. The petitioner shall pay to the court a filing fee equal to the filing fee for filing the first or initial paper in a civil action in the court, except in the case of district court judgments transcribed to superior court, where the filing fee shall be the fee for filing the first or initial paper in a civil action in the superior court where the judgment was transcribed. The order granting the application shall contain an updated judgment summary as provided in

RCW 4.64.030. The filing fee required under this subsection shall be included in the judgment summary and shall be a recoverable cost. The application shall be granted as a matter of right, subject to review only for timeliness, factual issues of full or partial satisfaction, or errors in calculating the judgment summary amounts.

(4) (a) A party who obtains a judgment or order for restitution (~~(, crime victims' assessment, or other court-ordered legal financial obligations)~~) pursuant to a criminal judgment and sentence, or the assignee or the current holder thereof, may execute, garnish, and/or have legal process issued upon the judgment or order any time within ~~((ten))~~ 10 years subsequent to the entry of the judgment and sentence or ~~((ten))~~ 10 years following the offender's release from total confinement as provided in chapter 9.94A RCW. The clerk of superior court, or a party designated by the clerk, may seek extension under subsection (3) of this section for purposes of collection as allowed under RCW 36.18.190, provided that no filing fee shall be required.

(b) A party who obtains a judgment or order for court-ordered legal financial obligations other than restitution, pursuant to a criminal judgment and sentence, or the assignee or the current holder thereof, may execute, garnish, and have legal process issued upon the judgment or order any time within 10 years subsequent to the entry of the judgment and sentence or 10 years following the offender's release from total confinement as provided in chapter 9.94A RCW. The clerk of superior court, or a party designated by the clerk, may seek extension under subsection (3) of this section for purposes of collection as allowed under RCW 36.18.190, only if the court finds that the offender has the current or likely future ability to pay the nonrestitution legal financial obligations. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). No filing fee shall be required for filing a petition for an extension pursuant to this subsection (4)(b).

(5) "Court" as used in this section includes but is not limited to the United States supreme court, the United States courts of appeals, the United States district courts, the United States bankruptcy courts, the Washington state supreme court, the court of appeals of

the state of Washington, superior courts and district courts of the counties of the state of Washington, and courts of other states and jurisdictions from which judgment has been filed in this state under chapter 6.36 or 6.40 RCW.

(6) The perfection of any judgment lien and the priority of that judgment lien on property as established by RCW 6.13.090 and chapter 4.56 RCW is not altered by the extension of the judgment pursuant to the provisions of this section and the lien remains in full force and effect and does not have to be rerecorded after it is extended. Continued perfection of a judgment that has been transcribed to other counties and perfected in those counties may be accomplished after extension of the judgment by filing with the clerk of the other counties where the judgment has been filed either a certified copy of the order extending the judgment or a certified copy of the docket of the matter where the judgment was extended.

(7) Except as ordered in RCW 4.16.020 (2) or (3), chapter 9.94A RCW, or chapter 13.40 RCW, no judgment is enforceable for a period exceeding ~~((twenty))~~ 20 years from the date of entry in the originating court. Nothing in this section may be interpreted to extend the expiration date of a foreign judgment beyond the expiration date under the laws of the jurisdiction where the judgment originated.

(8) The chapter 261, Laws of 2002 amendments to this section apply to all judgments currently in effect on June 13, 2002, to all judgments extended after June 9, 1994, unless the judgment has been satisfied, vacated, and/or quashed, and to all judgments filed or rendered, or both, after June 13, 2002.

Sec. 6. RCW 9.92.060 and 2011 1st sp.s. c 40 s 5 are each amended to read as follows:

(1) Whenever any person is convicted of any crime except murder, burglary in the first degree, arson in the first degree, robbery, rape of a child, or rape, the superior court may, in its discretion, at the time of imposing sentence upon such person, direct that such sentence be stayed and suspended until otherwise ordered by the superior court, and, upon such terms as the superior court may determine, that the sentenced person be placed under the charge of:

(a) A community corrections officer employed by the department of corrections, if the person is subject to supervision under RCW 9.94A.501 or 9.94A.5011; or

(b) A probation officer employed or contracted for by the county, if the county has elected to assume responsibility for the supervision of superior court misdemeanor probationers.

(2) As a condition to suspension of sentence, the superior court shall require the payment of the penalty assessment required by RCW 7.68.035. In addition, the superior court may require the convicted person to make such monetary payments, on such terms as the superior court deems appropriate under the circumstances, as are necessary: (a) To comply with any order of the court for the payment of family support; (b) to make restitution to any person or persons who may have suffered loss or damage by reason of the commission of the crime in question or when the offender pleads guilty to a lesser offense or fewer offenses and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim of an offense or offenses which are not prosecuted pursuant to a plea agreement; (c) to pay any fine imposed and not suspended and the court or other costs incurred in the prosecution of the case, including reimbursement of the state for costs of extradition if return to this state by extradition was required; and (d) to contribute to a county or interlocal drug fund.

(3) At any time, including at sentencing, the court may determine that the offender is not required to pay, or may relieve the offender of the requirement to pay, full or partial restitution and accrued interest on restitution where the entity to whom restitution is owed is an insurer or a state agency, except for restitution owed to the department of labor and industries under chapter 7.68 RCW, if the court finds that the offender does not have the current or likely future ability to pay. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). For the purposes of this subsection, the terms "insurer" and "state agency" have the same meanings as provided in RCW 9.94A.750(3).

(4) As a condition of the suspended sentence, the superior court may order the probationer to report to the secretary of corrections or such officer as the secretary may designate and as a condition of the probation to follow the instructions of the secretary. If the county legislative authority has elected to assume responsibility for the supervision of superior court misdemeanor probationers within its jurisdiction, the superior court misdemeanor probationer shall report to a probation officer employed or contracted for by the county. In cases where a superior court misdemeanor probationer is sentenced in one county, but resides within another county, there must be provisions for the probationer to report to the agency having supervision responsibility for the probationer's county of residence.

~~((4))~~ (5) If restitution to the victim has been ordered under subsection (2)(b) of this section and the superior court has ordered supervision, the officer supervising the probationer shall make a reasonable effort to ascertain whether restitution has been made as ordered. If the superior court has ordered supervision and restitution has not been made, the officer shall inform the prosecutor of that violation of the terms of the suspended sentence not less than three months prior to the termination of the suspended sentence.

Sec. 7. RCW 9.95.210 and 2019 c 263 s 302 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection in granting probation, the superior court may suspend the imposition or the execution of the sentence and may direct that the suspension may continue upon such conditions and for such time as it shall designate, not exceeding the maximum term of sentence or two years, whichever is longer.

(b) For a defendant sentenced for a domestic violence offense, or under RCW 46.61.5055, the superior court may suspend the imposition or the execution of the sentence and may direct that the suspension continue upon such conditions and for such time as the court shall designate, not to exceed five years. The court shall have continuing jurisdiction and authority to suspend the execution of all or any part of the sentence upon stated terms, including installment payment of fines. A defendant who has

been sentenced, and who then fails to appear for any hearing to address the defendant's compliance with the terms of probation when ordered to do so by the court shall have the term of probation tolled until such time as the defendant makes his or her presence known to the court on the record. Any time before entering an order terminating probation, the court may modify or revoke its order suspending the imposition or execution of the sentence if the defendant violates or fails to carry out any of the conditions of the suspended sentence.

(2) In the order granting probation and as a condition thereof, the superior court may in its discretion imprison the defendant in the county jail for a period not exceeding one year and may fine the defendant any sum not exceeding the statutory limit for the offense committed, and court costs. As a condition of probation, the superior court shall require the payment of the penalty assessment required by RCW 7.68.035. The superior court may also require the defendant to make such monetary payments, on such terms as it deems appropriate under the circumstances, as are necessary: (a) To comply with any order of the court for the payment of family support; (b) to make restitution to any person or persons who may have suffered loss or damage by reason of the commission of the crime in question or when the offender pleads guilty to a lesser offense or fewer offenses and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim of an offense or offenses which are not prosecuted pursuant to a plea agreement; (c) to pay such fine as may be imposed and court costs, including reimbursement of the state for costs of extradition if return to this state by extradition was required; (d) following consideration of the financial condition of the person subject to possible electronic monitoring, to pay for the costs of electronic monitoring if that monitoring was required by the court as a condition of release from custody or as a condition of probation; (e) to contribute to a county or interlocal drug fund; and (f) to make restitution to a public agency for the costs of an emergency response under RCW 38.52.430, and may require bonds for the faithful observance of any and all conditions imposed in the probation.

(3) The superior court shall order restitution in all cases where the victim is entitled to benefits under the crime victims' compensation act, chapter 7.68 RCW. If the superior court does not order restitution and the victim of the crime has been determined to be entitled to benefits under the crime victims' compensation act, the department of labor and industries, as administrator of the crime victims' compensation program, may petition the superior court within one year of imposition of the sentence for entry of a restitution order. Upon receipt of a petition from the department of labor and industries, the superior court shall hold a restitution hearing and shall enter a restitution order.

(4) At any time, including at sentencing, the court may determine that the offender is not required to pay, or may relieve the offender of the requirement to pay, full or partial restitution and accrued interest on restitution where the entity to whom restitution is owed is an insurer or a state agency, except for restitution owed to the department of labor and industries under chapter 7.68 RCW, if the court finds that the offender does not have the current or likely future ability to pay. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). For the purposes of this subsection, the terms "insurer" and "state agency" have the same meanings as provided in RCW 9.94A.750(3).

(5) In granting probation, the superior court may order the probationer to report to the secretary of corrections or such officer as the secretary may designate and as a condition of the probation to follow the instructions of the secretary for up to twelve months. If the county legislative authority has elected to assume responsibility for the supervision of superior court misdemeanor probationers within its jurisdiction, the superior court misdemeanor probationer shall report to a probation officer employed or contracted for by the county. In cases where a superior court misdemeanor probationer is sentenced in one county, but resides within another county, there must be provisions for the probationer to report to the agency having supervision responsibility for the probationer's county of residence.

~~((5))~~ (6) If the probationer has been ordered to make restitution and the superior court has ordered supervision, the officer supervising the probationer shall make a reasonable effort to ascertain whether restitution has been made. If the superior court has ordered supervision and restitution has not been made as ordered, the officer shall inform the prosecutor of that violation of the terms of probation not less than three months prior to the termination of the probation period. The secretary of corrections will promulgate rules and regulations for the conduct of the person during the term of probation. For defendants found guilty in district court, like functions as the secretary performs in regard to probation may be performed by probation officers employed for that purpose by the county legislative authority of the county wherein the court is located.

~~((6))~~ (7) The provisions of RCW 9.94A.501 and 9.94A.5011 apply to sentences imposed under this section.

~~((7))~~ (8) For purposes of this section, "domestic violence" means the same as in RCW 10.99.020.

NEW SECTION. Sec. 8. A new section is added to chapter 10.01 RCW to read as follows:

A defendant who has been ordered to pay fines and who has not willfully failed to pay the obligation, as described in RCW 9.94A.6333, 9.94B.040, and 10.01.180, may at any time petition the sentencing court for remission of the payment of fines or of any unpaid portion thereof. If it appears to the satisfaction of the court that payment of the amount due will impose manifest hardship on the defendant or the defendant's immediate family, the court may remit all or part of the amount due in fines, modify the method of payment under RCW 10.01.170, or convert the unpaid amounts to community restitution hours, if the jurisdiction operates a community restitution program, at the rate of no less than the state minimum wage established in RCW 49.46.020 for each hour of community restitution. Manifest hardship exists where the defendant is indigent as defined in RCW 10.01.160(3).

Sec. 9. RCW 10.01.160 and 2018 c 269 s 6 are each amended to read as follows:

(1) Except as provided in subsection (3) of this section, the court may

require a defendant to pay costs. Costs may be imposed only upon a convicted defendant, except for costs imposed upon a defendant's entry into a deferred prosecution program, costs imposed upon a defendant for pretrial supervision, or costs imposed upon a defendant for preparing and serving a warrant for failure to appear.

(2) Costs shall be limited to expenses specially incurred by the state in prosecuting the defendant or in administering the deferred prosecution program under chapter 10.05 RCW or pretrial supervision. They cannot include expenses inherent in providing a constitutionally guaranteed jury trial or expenditures in connection with the maintenance and operation of government agencies that must be made by the public irrespective of specific violations of law. Expenses incurred for serving of warrants for failure to appear and jury fees under RCW 10.46.190 may be included in costs the court may require a defendant to pay. Costs for administering a deferred prosecution may not exceed ~~((two hundred fifty dollars))~~ \$250. Costs for administering a pretrial supervision other than a pretrial electronic alcohol monitoring program, drug monitoring program, or 24/7 sobriety program may not exceed ~~((one hundred fifty dollars))~~ \$150. Costs for preparing and serving a warrant for failure to appear may not exceed ~~((one hundred dollars))~~ \$100. Costs of incarceration imposed on a defendant convicted of a misdemeanor or a gross misdemeanor may not exceed the actual cost of incarceration. In no case may the court require the offender to pay more than ~~((one hundred dollars))~~ \$100 per day for the cost of incarceration. Payment of other court-ordered financial obligations, including all legal financial obligations and costs of supervision take precedence over the payment of the cost of incarceration ordered by the court. All funds received from defendants for the cost of incarceration in the county or city jail must be remitted for criminal justice purposes to the county or city that is responsible for the defendant's jail costs. Costs imposed constitute a judgment against a defendant and survive a dismissal of the underlying action against the defendant. However, if the defendant is acquitted on the underlying action, the costs for preparing and serving a warrant for failure to appear do not survive the acquittal, and the

judgment that such costs would otherwise constitute shall be vacated.

(3) The court shall not order a defendant to pay costs if the defendant at the time of sentencing is indigent (~~as defined in RCW 10.101.010(3) (a) through (c)~~). In determining the amount and method of payment of costs for defendants who are not indigent (~~as defined in RCW 10.101.010(3) (a) through (c)~~), the court shall take account of the financial resources of the defendant and the nature of the burden that payment of costs will impose. For the purposes of this section, a defendant is "indigent" if the defendant: (a) Meets the criteria defined in RCW 10.101.010(3) (a) through (c); (b) is homeless or mentally ill as defined in RCW 71.24.025; (c) has household income above 125 percent of the federal poverty guidelines and has recurring basic living costs, as defined in RCW 10.101.010, that render the defendant without the financial ability to pay; or (d) has other compelling circumstances that exist that demonstrate an inability to pay.

(4) A defendant who has been ordered to pay costs and who (~~is not in contemptuous default in the payment thereof~~) has not willfully failed to pay the obligation, as described in RCW 9.94A.6333, 9.94B.040, and 10.01.180, may at any time (after release from total confinement) petition the sentencing court for remission of the payment of costs or of any unpaid portion thereof. If it appears to the satisfaction of the court that payment of the amount due will impose manifest hardship on the defendant or the defendant's immediate family, the court may remit all or part of the amount due in costs, modify the method of payment under RCW 10.01.170, or convert the unpaid costs to community restitution hours, if the jurisdiction operates a community restitution program, at the rate of no less than the state minimum wage established in RCW 49.46.020 for each hour of community restitution. Manifest hardship exists where the defendant is indigent as defined in (~~RCW 10.101.010(3) (a) through (c)~~) subsection (3) of this section.

(5) Except for direct costs relating to evaluating and reporting to the court, prosecutor, or defense counsel regarding a defendant's competency to stand trial as provided in RCW 10.77.060, this section shall not apply to costs related

to medical or mental health treatment or services a defendant receives while in custody of the secretary of the department of social and health services or other governmental units. This section shall not prevent the secretary of the department of social and health services or other governmental units from imposing liability and seeking reimbursement from a defendant committed to an appropriate facility as provided in RCW 10.77.084 while criminal proceedings are stayed. This section shall also not prevent governmental units from imposing liability on defendants for costs related to providing medical or mental health treatment while the defendant is in the governmental unit's custody. Medical or mental health treatment and services a defendant receives at a state hospital or other facility are not a cost of prosecution and shall be recoverable under RCW 10.77.250 and 70.48.130, chapter 43.20B RCW, and any other applicable statute.

Sec. 10. RCW 10.73.160 and 2018 c 269 s 12 are each amended to read as follows:

(1) The court of appeals, supreme court, and superior courts may require an adult offender convicted of an offense to pay appellate costs.

(2) Appellate costs are limited to expenses specifically incurred by the state in prosecuting or defending an appeal or collateral attack from a criminal conviction. Appellate costs shall not include expenditures to maintain and operate government agencies that must be made irrespective of specific violations of the law. Expenses incurred for producing a verbatim report of proceedings and clerk's papers may be included in costs the court may require a convicted defendant to pay.

(3) Costs, including recoupment of fees for court-appointed counsel, shall be requested in accordance with the procedures contained in Title 14 of the rules of appellate procedure and in Title 9 of the rules for appeal of decisions of courts of limited jurisdiction. An award of costs shall become part of the trial court judgment and sentence.

(4) A defendant who has been sentenced to pay costs and who (~~is not in contemptuous default in the payment~~) has not willfully failed to pay the obligation, as described in RCW 9.94A.6333, 9.94B.040, and 10.01.180, may at any time (after release from

~~total confinement~~) petition the court that sentenced the defendant or juvenile offender for remission of the payment of costs or of any unpaid portion. If it appears to the satisfaction of the sentencing court that payment of the amount due will impose manifest hardship on the defendant or the defendant's immediate family, the sentencing court may remit all or part of the amount due in costs, modify the method of payment under RCW 10.01.170, or convert the unpaid costs to community restitution hours, if the jurisdiction operates a community restitution program, at the rate of no less than the state minimum wage established in RCW 49.46.020 for each hour of community restitution. Manifest hardship exists where the defendant or juvenile offender is indigent as defined in RCW ~~((10.101.010(3) (a) through (e)))~~ 10.01.160(3).

(5) The parents or another person legally obligated to support a juvenile offender who has been ordered to pay appellate costs and who is not in contumacious default in the payment may at any time petition the court that sentenced the juvenile offender for remission of the payment of costs or of any unpaid portion. If it appears to the satisfaction of the sentencing court that payment of the amount due will impose manifest hardship on the parents or another person legally obligated to support a juvenile offender or on their immediate families, the sentencing court may remit all or part of the amount due in costs, or may modify the method of payment.

Sec. 11. RCW 10.64.015 and 2018 c 269 s 10 are each amended to read as follows:

When the defendant is found guilty, the court shall render judgment accordingly, and the defendant may be liable for all costs, unless the court or jury trying the cause expressly find otherwise. The court shall not order a defendant to pay costs, as described in RCW 10.01.160, if the court finds that the person at the time of sentencing is indigent as defined in RCW ~~((10.101.010(3) (a) through (e)))~~ 10.01.160(3).

Sec. 12. RCW 10.82.090 and 2018 c 269 s 1 are each amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section and RCW 3.50.100, 3.62.020, and 35.20.220,

restitution imposed in a judgment shall bear interest from the date of the judgment until payment, at the rate applicable to civil judgments. As of June 7, 2018, no interest shall accrue on nonrestitution legal financial obligations. All nonrestitution interest retained by the court shall be split ~~((twenty-five))~~ 25 percent to the state treasurer for deposit in the state general fund, ~~((twenty-five))~~ 25 percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, ~~((twenty-five))~~ 25 percent to the county current expense fund, and ~~((twenty-five))~~ 25 percent to the county current expense fund to fund local courts.

(2) The court may elect not to impose interest on any restitution the court orders. Before determining not to impose interest on restitution, the court shall inquire into and consider the following factors: (a) Whether the offender is indigent as defined in RCW 10.101.010(3) or general rule 34; (b) the offender's available funds, as defined in RCW 10.101.010(2), and other liabilities including child support and other legal financial obligations; (c) whether the offender is homeless; and (d) whether the offender is mentally ill, as defined in RCW 71.24.025. The court shall also consider the victim's input, if any, as it relates to any financial hardship caused to the victim if interest is not imposed. The court may also consider any other information that the court believes, in the interest of justice, relates to not imposing interest on restitution. After consideration of these factors, the court may waive the imposition of restitution interest.

(3) The court may, on motion by the offender, ~~((following the offender's release from total confinement,))~~ reduce or waive the interest on legal financial obligations levied as a result of a criminal conviction as follows:

(a) The court shall waive all interest on the portions of the legal financial obligations that are not restitution that accrued prior to June 7, 2018;

(b) The court may wave or reduce interest on the restitution portion of the legal financial obligations only if the principal has been paid in full ~~((and as an incentive for the offender to meet his or her other legal financial obligations))~~, except as provided in (c) of this subsection. The court may grant

the motion, establish a payment schedule, and retain jurisdiction over the offender for purposes of reviewing and revising the reduction or waiver of interest;

(c) The court may, following the offender's release from total confinement, waive or reduce interest on restitution that accrued during the offender's period of incarceration if the court finds that the offender does not have the current or likely future ability to pay. A person does not have the current ability to pay if the person is indigent as defined in RCW 10.01.160(3). The prosecuting attorney shall make reasonable efforts to notify the victim entitled to restitution of the date and place of the hearing. The court shall also consider the victim's input, if any, as it relates to any financial hardship caused to the victim if interest is reduced or waived.

~~((3))~~ (4) This section only applies to adult offenders.

Sec. 13. RCW 9.94A.6333 and 2018 c 269 s 13 are each amended to read as follows:

(1) If an offender violates any condition or requirement of a sentence, and the offender is not being supervised by the department, the court may modify its order of judgment and sentence and impose further punishment in accordance with this section.

(2) If an offender fails to comply with any of the nonfinancial conditions or requirements of a sentence the following provisions apply:

(a) The court, upon the motion of the state, or upon its own motion, shall require the offender to show cause why the offender should not be punished for the noncompliance. The court may issue a summons or a warrant of arrest for the offender's appearance;

(b) The state has the burden of showing noncompliance by a preponderance of the evidence;

(c) If the court finds that a violation has been proved, it may impose the sanctions specified in RCW 9.94A.633(1). Alternatively, the court may:

(i) Convert a term of partial confinement to total confinement; or

(ii) Convert community restitution obligation to total or partial confinement;

(d) If the court finds that the violation was not willful, the court may modify its previous order regarding community restitution obligations; and

(e) If the violation involves a failure to undergo or comply with a mental health status evaluation and/or outpatient mental health treatment, the court shall seek a recommendation from the treatment provider or proposed treatment provider. Enforcement of orders concerning outpatient mental health treatment must reflect the availability of treatment and must pursue the least restrictive means of promoting participation in treatment. If the offender's failure to receive care essential for health and safety presents a risk of serious physical harm or probable harmful consequences, the civil detention and commitment procedures of chapter 71.05 RCW shall be considered in preference to incarceration in a local or state correctional facility.

(3) If an offender fails to pay legal financial obligations as a requirement of a sentence the following provisions apply:

(a) The court, upon the motion of the state, or upon its own motion, shall require the offender to show cause why the offender should not be punished for the noncompliance. The court may issue a summons or a warrant of arrest for the offender's appearance;

(b) The state has the burden of showing noncompliance by a preponderance of the evidence;

(c) The court may not sanction the offender for failure to pay legal financial obligations unless the court finds, after a hearing and on the record, that the failure to pay is willful. A failure to pay is willful if the offender has the current ability to pay but refuses to do so. In determining whether the offender has the current ability to pay, the court shall inquire into and consider: (i) The offender's income and assets; (ii) the offender's basic living costs as defined by RCW 10.101.010 and other liabilities including child support and other legal financial obligations; and (iii) the offender's bona fide efforts to acquire additional resources. An offender who is indigent as defined by RCW ~~((10.101.010(3) (a) through (e))~~ 10.01.160(3) is presumed to lack the current ability to pay;

(d) If the court determines that the offender is homeless or a person who is mentally ill, as defined in RCW 71.24.025, failure to pay a legal financial obligation is not willful noncompliance and shall not subject the offender to penalties;

(e) If the court finds that a failure to pay is willful noncompliance, it may impose the sanctions specified in RCW 9.94A.633(1); and

(f) If the court finds that the violation was not willful, the court may, and if the court finds that the defendant is indigent as defined in RCW ~~((10.101.010(3) — (a) through (e))~~ 10.01.160(3), the court shall modify the terms of payment of the legal financial obligations, reduce or waive nonrestitution legal financial obligations, or convert nonrestitution legal financial obligations to community restitution hours, if the jurisdiction operates a community restitution program, at the rate of no less than the state minimum wage established in RCW 49.46.020 for each hour of community restitution. The crime victim penalty assessment under RCW 7.68.035 may not be reduced, waived, or converted to community restitution hours.

(4) Any time served in confinement awaiting a hearing on noncompliance shall be credited against any confinement ordered by the court.

(5) Nothing in this section prohibits the filing of escape charges if appropriate.

Sec. 14. RCW 9.94B.040 and 2018 c 269 s 15 are each amended to read as follows:

(1) If an offender violates any condition or requirement of a sentence, the court may modify its order of judgment and sentence and impose further punishment in accordance with this section.

(2) In cases where conditions from a second or later sentence of community supervision begin prior to the term of the second or later sentence, the court shall treat a violation of such conditions as a violation of the sentence of community supervision currently being served.

(3) If an offender fails to comply with any of the nonfinancial requirements or conditions of a sentence the following provisions apply:

(a)(i) Following the violation, if the offender and the department make a stipulated agreement, the department may impose sanctions such as work release, home detention with electronic monitoring, work crew, community restitution, inpatient treatment, daily reporting, curfew, educational or counseling sessions, supervision enhanced through electronic monitoring, jail time, or other sanctions available in the community.

(ii) Within ~~((seventy-two))~~ 72 hours of signing the stipulated agreement, the department shall submit a report to the court and the prosecuting attorney outlining the violation or violations, and sanctions imposed. Within ~~((fifteen))~~ 15 days of receipt of the report, if the court is not satisfied with the sanctions, the court may schedule a hearing and may modify the department's sanctions. If this occurs, the offender may withdraw from the stipulated agreement.

(iii) If the offender fails to comply with the sanction administratively imposed by the department, the court may take action regarding the original noncompliance. Offender failure to comply with the sanction administratively imposed by the department may be considered an additional violation;

(b) In the absence of a stipulated agreement, or where the court is not satisfied with the department's sanctions as provided in (a) of this subsection, the court, upon the motion of the state, or upon its own motion, shall require the offender to show cause why the offender should not be punished for the noncompliance. The court may issue a summons or a warrant of arrest for the offender's appearance;

(c) The state has the burden of showing noncompliance by a preponderance of the evidence. If the court finds that the violation has occurred, it may order the offender to be confined for a period not to exceed ~~((sixty))~~ 60 days for each violation, and may (i) convert a term of partial confinement to total confinement, (ii) convert community restitution obligation to total or partial confinement, or (iii) order one or more of the penalties authorized in (a)(i) of this subsection. Any time served in confinement awaiting a hearing on noncompliance shall be credited

against any confinement order by the court;

(d) If the court finds that the violation was not willful, the court may modify its previous order regarding community restitution obligations; and

(e) If the violation involves a failure to undergo or comply with mental status evaluation and/or outpatient mental health treatment, the community corrections officer shall consult with the treatment provider or proposed treatment provider. Enforcement of orders concerning outpatient mental health treatment must reflect the availability of treatment and must pursue the least restrictive means of promoting participation in treatment. If the offender's failure to receive care essential for health and safety presents a risk of serious physical harm or probable harmful consequences, the civil detention and commitment procedures of chapter 71.05 RCW shall be considered in preference to incarceration in a local or state correctional facility.

(4) If the violation involves failure to pay legal financial obligations, the following provisions apply:

(a) The department and the offender may enter into a stipulated agreement that the failure to pay was willful noncompliance, according to the provisions and requirements of subsection (3)(a) of this section;

(b) In the absence of a stipulated agreement, or where the court is not satisfied with the department's sanctions as provided in a stipulated agreement under (a) of this subsection, the court, upon the motion of the state, or upon its own motion, shall require the offender to show cause why the offender should not be punished for the noncompliance. The court may issue a summons or a warrant of arrest for the offender's appearance;

(c) The state has the burden of showing noncompliance by a preponderance of the evidence. The court may not sanction the offender for failure to pay legal financial obligations unless the court finds, after a hearing and on the record, that the failure to pay is willful. A failure to pay is willful if the offender has the current ability to pay but refuses to do so. In determining whether the offender has the current ability to pay, the court shall inquire into and consider: (i) The offender's income and

assets; (ii) the offender's basic living costs as defined by RCW 10.101.010 and other liabilities including child support and other legal financial obligations; and (iii) the offender's bona fide efforts to acquire additional resources. An offender who is indigent as defined by RCW ~~((10.101.010(3) (a) through (e))~~ 10.01.160(3) is presumed to lack the current ability to pay;

(d) If the court determines that the offender is homeless or a person who is mentally ill, as defined in RCW 71.24.025, failure to pay a legal financial obligation is not willful noncompliance and shall not subject the offender to penalties;

(e) If the court finds that the failure to pay is willful noncompliance, the court may order the offender to be confined for a period not to exceed ~~((sixty))~~ 60 days for each violation or order one or more of the penalties authorized in subsection (3)(a)(i) of this section; and

(f) If the court finds that the violation was not willful, the court may, and if the court finds that the defendant is indigent as defined in RCW ~~((10.101.010(3) (a) through (e))~~ 10.01.160(3), the court shall modify the terms of payment of the legal financial obligations, reduce or waive nonrestitution legal financial obligations, or convert nonrestitution legal financial obligations to community restitution hours, if the jurisdiction operates a community restitution program, at the rate of no less than the state minimum wage established in RCW 49.46.020 for each hour of community restitution. The crime victim penalty assessment under RCW 7.68.035 may not be reduced, waived, or converted to community restitution hours.

(5) The community corrections officer may obtain information from the offender's mental health treatment provider on the offender's status with respect to evaluation, application for services, registration for services, and compliance with the supervision plan, without the offender's consent, as described under RCW 71.05.630.

(6) An offender under community placement or community supervision who is civilly detained under chapter 71.05 RCW, and subsequently discharged or conditionally released to the community, shall be under the supervision of the

department of corrections for the duration of his or her period of community placement or community supervision. During any period of inpatient mental health treatment that falls within the period of community placement or community supervision, the inpatient treatment provider and the supervising community corrections officer shall notify each other about the offender's discharge, release, and legal status, and shall share other relevant information.

(7) Nothing in this section prohibits the filing of escape charges if appropriate.

Sec. 15. RCW 10.01.180 and 2018 c 269 s 8 are each amended to read as follows:

(1) A defendant sentenced to pay any fine, penalty, assessment, fee, or costs who willfully defaults in the payment thereof or of any installment is in contempt of court as provided in chapter 7.21 RCW. The court may issue a warrant of arrest for his or her appearance.

(2) When any fine, penalty, assessment, fee, or assessment of costs is imposed on a corporation or unincorporated association, it is the duty of the person authorized to make disbursement from the assets of the corporation or association to pay the obligation from those assets, and his or her failure to do so may be held to be contempt.

(3) (a) The court shall not sanction a defendant for contempt based on failure to pay fines, penalties, assessments, fees, or costs unless the court finds, after a hearing and on the record, that the failure to pay is willful. A failure to pay is willful if the defendant has the current ability to pay but refuses to do so.

(b) In determining whether the defendant has the current ability to pay, the court shall inquire into and consider: (i) The defendant's income and assets; (ii) the defendant's basic living costs as defined by RCW 10.101.010 and other liabilities including child support and other legal financial obligations; and (iii) the defendant's bona fide efforts to acquire additional resources. A defendant who is indigent as defined by RCW ~~((10.101.010(3) (a) through (c)))~~ 10.01.160(3) is presumed to lack the current ability to pay.

(c) If the court determines that the defendant is homeless or a person who is mentally ill, as defined in RCW 71.24.025, failure to pay a legal financial obligation is not willful contempt and shall not subject the defendant to penalties.

(4) If a term of imprisonment for contempt for nonpayment of any fine, penalty, assessment, fee, or costs is ordered, the term of imprisonment shall be set forth in the commitment order, and shall not exceed one day for each ~~((twenty-five dollars))~~ \$25 of the amount ordered, ~~((thirty))~~ 30 days if the amount ordered of costs was imposed upon conviction of a violation or misdemeanor, or one year in any other case, whichever is the shorter period. A person committed for nonpayment of any fine, penalty, assessment, fee, or costs shall be given credit toward payment for each day of imprisonment at the rate specified in the commitment order.

(5) If it appears to the satisfaction of the court that the default in the payment of any fine, penalty, assessment, fee, or costs is not willful contempt, the court may, and if the defendant is indigent as defined in RCW ~~((10.101.010(3) (a) through (c)))~~ 10.01.160(3), the court shall enter an order: (a) Allowing the defendant additional time for payment; (b) reducing the amount thereof or of each installment; (c) revoking the fine, penalty, assessment, fee, or costs or the unpaid portion thereof in whole or in part; or (d) converting the unpaid fine, penalty, assessment, fee, or costs to community restitution hours, if the jurisdiction operates a community restitution program, at the rate of no less than the state minimum wage established in RCW 49.46.020 for each hour of community restitution. The crime victim penalty assessment under RCW 7.68.035 may not be reduced, revoked, or converted to community restitution hours.

(6) A default in the payment of any fine, penalty, assessment, fee, or costs or any installment thereof may be collected by any means authorized by law for the enforcement of a judgment. The levy of execution for the collection of any fine, penalty, assessment, fee, or costs shall not discharge a defendant committed to imprisonment for contempt until the amount has actually been collected.

Sec. 16. RCW 3.62.085 and 2018 c 269 s 16 are each amended to read as follows:

Upon conviction or a plea of guilty in any court organized under this title or Title 35 RCW, a defendant in a criminal case is liable for a fee of (~~forty three dollars~~) \$43, except this fee shall not be imposed on a defendant who is indigent as defined in RCW (~~10.101.010(3) (a) through (c)~~) 10.01.160(3). This fee shall be subject to division with the state under RCW 3.46.120(2), 3.50.100(2), 3.62.020(2), 3.62.040(2), and 35.20.220(2).

Sec. 17. RCW 36.18.020 and 2021 c 303 s 3 and 2021 c 215 s 146 are each reenacted and amended to read as follows:

(1) Revenue collected under this section is subject to division with the state under RCW 36.18.025 and with the county or regional law library fund under RCW 27.24.070, except as provided in subsection (5) of this section.

(2) Clerks of superior courts shall collect the following fees for their official services:

(a) In addition to any other fee required by law, the party filing the first or initial document in any civil action, including, but not limited to an action for restitution, adoption, or change of name, and any party filing a counterclaim, cross-claim, or third-party claim in any such civil action, shall pay, at the time the document is filed, a fee of (~~two hundred dollars~~) \$200 except, in an unlawful detainer action under chapter 59.18 or 59.20 RCW for which the plaintiff shall pay a case initiating filing fee of (~~forty five dollars~~) \$45, or in proceedings filed under RCW 28A.225.030 alleging a violation of the compulsory attendance laws where the petitioner shall not pay a filing fee. The (~~forty five dollar~~) \$45 filing fee under this subsection for an unlawful detainer action shall not include an order to show cause or any other order or judgment except a default order or default judgment in an unlawful detainer action.

(b) Any party, except a defendant in a criminal case, filing the first or initial document on an appeal from a court of limited jurisdiction or any party on any civil appeal, shall pay, when the document is filed, a fee of (~~two hundred dollars~~) \$200.

(c) For filing of a petition for judicial review as required under RCW 34.05.514 a filing fee of (~~two hundred dollars~~) \$200.

(d) For filing of a petition for an antiharassment protection order under RCW 7.105.100 a filing fee of (~~fifty three dollars~~) \$53.

(e) For filing the notice of debt due for the compensation of a crime victim under RCW 7.68.120(2)(a) a fee of (~~two hundred dollars~~) \$200.

(f) In probate proceedings, the party instituting such proceedings, shall pay at the time of filing the first document therein, a fee of (~~two hundred dollars~~) \$200.

(g) For filing any petition to contest a will admitted to probate or a petition to admit a will which has been rejected, or a petition objecting to a written agreement or memorandum as provided in RCW 11.96A.220, there shall be paid a fee of (~~two hundred dollars~~) \$200.

(h) Upon conviction or plea of guilty, upon failure to prosecute an appeal from a court of limited jurisdiction as provided by law, or upon affirmation of a conviction by a court of limited jurisdiction, an adult defendant in a criminal case shall be liable for a fee of two hundred dollars, except this fee shall not be imposed on a defendant who is indigent as defined in RCW (~~10.101.010(3) (a) through (c)~~) 10.01.160(3). Upon motion by the defendant, the court may waive or reduce any fee previously imposed under this subsection if the court finds that the defendant is indigent as defined in RCW 10.01.160(3).

(i) With the exception of demands for jury hereafter made and garnishments hereafter issued, civil actions and probate proceedings filed prior to midnight, July 1, 1972, shall be completed and governed by the fee schedule in effect as of January 1, 1972. However, no fee shall be assessed if an order of dismissal on the clerk's record be filed as provided by rule of the supreme court.

(3) No fee shall be collected when a petition for relinquishment of parental rights is filed pursuant to RCW 26.33.080 or for forms and instructional brochures provided under RCW 7.105.115.

(4) No fee shall be collected when an abstract of judgment is filed by the county clerk of another county for the purposes of collection of legal financial obligations.

(5)(a) In addition to the fees required to be collected under this section, clerks of the superior courts must collect surcharges as provided in this subsection (5) of which (~~seventy-five~~) 75 percent must be remitted to the state treasurer for deposit in the judicial stabilization trust account and (~~twenty-five~~) 25 percent must be retained by the county.

(b) On filing fees required to be collected under subsection (2)(b) of this section, a surcharge of (~~thirty dollars~~) \$30 must be collected.

(c) On all filing fees required to be collected under this section, except for fees required under subsection (2)(b), (d), and (h) of this section, a surcharge of (~~forty dollars~~) \$40 must be collected.

NEW SECTION. Sec. 18. A new section is added to chapter 3.66 RCW to read as follows:

"Legal financial obligation" means a sum of money that is ordered by a district or municipal court of the state of Washington for legal financial obligations which may include restitution to the victim, court costs, county or interlocal drug funds, court-appointed attorneys' fees, and costs of defense, fines, and any other financial obligation that is assessed to the offender as a result of a conviction. Legal financial obligations may also include payment to a public agency of the expense of an emergency response to the incident resulting in the conviction, subject to RCW 38.52.430.

Sec. 19. RCW 10.01.170 and 2018 c 269 s 7 are each amended to read as follows:

(1) When a defendant is sentenced to pay fines, penalties, assessments, fees, restitution, or costs, the court may grant permission for payment to be made within a specified period of time or in specified installments. If the court finds that the defendant is indigent as defined in RCW (~~10.101.010(3)(a) through (e)~~) 10.01.160(3), the court shall grant permission for payment to be made within a specified period of time or in specified installments. If no such permission is included in the sentence

the fine or costs shall be payable forthwith.

(2) An offender's monthly payment shall be applied in the following order of priority until satisfied:

(a) First, proportionally to restitution to victims that have not been fully compensated from other sources;

(b) Second, proportionally to restitution to insurance or other sources with respect to a loss that has provided compensation to victims;

(c) Third, proportionally to crime victims' assessments; and

(d) Fourth, proportionally to costs, fines, and other assessments required by law.

Sec. 20. RCW 10.46.190 and 2018 c 269 s 9 are each amended to read as follows:

Every person convicted of a crime or held to bail to keep the peace may be liable to all the costs of the proceedings against him or her, including, when tried by a jury in the superior court or before a committing magistrate, a jury fee as provided for in civil actions for which judgment shall be rendered and collected. The court shall not order a defendant to pay costs, as described in RCW 10.01.160, if the court finds that the person at the time of sentencing is indigent as defined in RCW (~~10.101.010(3)(a) through (e)~~) 10.01.160(3). The jury fee, when collected for a case tried by the superior court, shall be paid to the clerk and applied as the jury fee in civil cases is applied.

Sec. 21. RCW 9.92.070 and 2018 c 269 s 11 are each amended to read as follows:

Hereafter whenever any judge of any superior court or a district or municipal judge shall sentence any person to pay any fines, penalties, assessments, fees, and costs, the judge may, in the judge's discretion, provide that such fines, penalties, assessments, fees, and costs may be paid in certain designated installments, or within certain designated period or periods. If the court finds that the defendant is indigent as defined in RCW (~~10.101.010(3)(a) through (e)~~) 10.01.160(3), the court shall allow for payment in certain designated installments or within certain designated periods. If such fines, penalties, assessments, fees, and costs

shall be paid by the defendant in accordance with such order no commitment or imprisonment of the defendant shall be made for failure to pay such fine or costs. PROVIDED, that the provisions of this section shall not apply to any sentence given for the violation of any of the liquor laws of this state.

Sec. 22. RCW 7.68.240 and 2011 c 336 s 249 are each amended to read as follows:

Upon a showing by any convicted person or the state that five years have elapsed from the establishment of such escrow account and further that no actions are pending against such convicted person pursuant to RCW 7.68.200 through 7.68.280, the department shall immediately pay over (~~(fifty)~~) 50 percent of any moneys in the escrow account to such person or his or her legal representatives and (~~(fifty)~~) 50 percent of any moneys in the escrow account to the fund under RCW 7.68.035(4).

Sec. 23. RCW 9.94A.505 and 2021 c 242 s 3 are each amended to read as follows:

(1) When a person is convicted of a felony, the court shall impose punishment as provided in this chapter.

(2)(a) The court shall impose a sentence as provided in the following sections and as applicable in the case:

(i) Unless another term of confinement applies, a sentence within the standard sentence range established in RCW 9.94A.510 or 9.94A.517;

(ii) RCW 9.94A.701 and 9.94A.702, relating to community custody;

(iii) RCW 9.94A.570, relating to persistent offenders;

(iv) RCW 9.94A.540, relating to mandatory minimum terms;

(v) RCW 9.94A.650, relating to the first-time offender waiver;

(vi) RCW 9.94A.660, relating to the drug offender sentencing alternative;

(vii) RCW 9.94A.670, relating to the special sex offender sentencing alternative;

(viii) RCW 9.94A.655, relating to the parenting sentencing alternative;

(ix) RCW 9.94A.695, relating to the mental health sentencing alternative;

(x) RCW 9.94A.507, relating to certain sex offenses;

(xi) RCW 9.94A.535, relating to exceptional sentences;

(xii) RCW 9.94A.589, relating to consecutive and concurrent sentences;

(xiii) RCW 9.94A.603, relating to felony driving while under the influence of intoxicating liquor or any drug and felony physical control of a vehicle while under the influence of intoxicating liquor or any drug;

(xiv) RCW 9.94A.711, relating to the theft or taking of a motor vehicle.

(b) If a standard sentence range has not been established for the offender's crime, the court shall impose a determinate sentence which may include not more than one year of confinement; community restitution work; a term of community custody under RCW 9.94A.702 not to exceed one year; and/or other legal financial obligations. The court may impose a sentence which provides more than one year of confinement and a community custody term under RCW 9.94A.701 if the court finds reasons justifying an exceptional sentence as provided in RCW 9.94A.535.

(3) If the court imposes a sentence requiring confinement of (~~(thirty)~~) 30 days or less, the court may, in its discretion, specify that the sentence be served on consecutive or intermittent days. A sentence requiring more than (~~(thirty)~~) 30 days of confinement shall be served on consecutive days. Local jail administrators may schedule court-ordered intermittent sentences as space permits.

(4) If a sentence imposed includes payment of a legal financial obligation, it shall be imposed as provided in RCW 9.94A.750, 9.94A.753, and 9.94A.760 (~~(7 and 43.43.7541)~~).

(5) Except as provided under RCW 9.94A.750(4) and 9.94A.753(4), a court may not impose a sentence providing for a term of confinement or community custody that exceeds the statutory maximum for the crime as provided in chapter 9A.20 RCW.

(6) The sentencing court shall give the offender credit for all confinement time served before the sentencing if that confinement was solely in regard to the offense for which the offender is being sentenced.

(7) The sentencing court shall not give the offender credit for any time the offender was required to comply with an electronic monitoring program prior to sentencing if the offender was convicted of one of the following offenses:

- (a) A violent offense;
 - (b) Any sex offense;
 - (c) Any drug offense;
 - (d) Reckless burning in the first or second degree as defined in RCW 9A.48.040 or 9A.48.050;
 - (e) Assault in the third degree as defined in RCW 9A.36.031;
 - (f) Assault of a child in the third degree;
 - (g) Unlawful imprisonment as defined in RCW 9A.40.040; or
 - (h) Harassment as defined in RCW 9A.46.020.
- (8) The court shall order restitution as provided in RCW 9.94A.750 and 9.94A.753.

(9) As a part of any sentence, the court may impose and enforce crime-related prohibitions and affirmative conditions as provided in this chapter. "Crime-related prohibitions" may include a prohibition on the use or possession of alcohol or controlled substances if the court finds that any chemical dependency or substance abuse contributed to the offense.

(10) In any sentence of partial confinement, the court may require the offender to serve the partial confinement in work release, in a program of home detention, on work crew, or in a combined program of work crew and home detention.

Sec. 24. RCW 9.94A.777 and 2010 c 280 s 6 are each amended to read as follows:

(1) Before imposing any legal financial obligations upon a defendant who suffers from a mental health condition, other than restitution (~~or the victim penalty assessment under RCW 7.68.035~~), a judge must first determine that the defendant, under the terms of this section, has the means to pay such additional sums.

(2) For the purposes of this section, a defendant suffers from a mental health condition when the defendant has been diagnosed with a mental disorder that prevents the defendant from

participating in gainful employment, as evidenced by a determination of mental disability as the basis for the defendant's enrollment in a public assistance program, a record of involuntary hospitalization, or by competent expert evaluation.

NEW SECTION. Sec. 25. Nothing in this act requires the courts to refund or reimburse amounts previously paid towards legal financial obligations or interest on legal financial obligations.

NEW SECTION. Sec. 26. This act takes effect January 1, 2023."

On page 1, line 1 of the title, after "obligations;" strike the remainder of the title and insert "amending RCW 3.66.120, 9.94A.750, 9.94A.753, 9.94A.760, 6.17.020, 9.92.060, 9.95.210, 10.01.160, 10.73.160, 10.64.015, 10.82.090, 9.94A.6333, 9.94B.040, 10.01.180, 3.62.085, 10.01.170, 10.46.190, 9.92.070, 7.68.240, 9.94A.505, and 9.94A.777; reenacting and amending RCW 36.18.020; adding a new section to chapter 10.01 RCW; adding a new section to chapter 3.66 RCW; creating a new section; and providing an effective date."

and the same is herewith transmitted.

Sarah Bannister, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED FOURTH SUBSTITUTE HOUSE BILL NO. 1412 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Simmons spoke in favor of the passage of the bill.

Representative Walsh spoke against the passage of the bill.

MOTIONS

On motion of Representative Ramel, Representative Ormsby was excused.

On motion of Representative Griffey, Representative Klippert was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of

Engrossed Fourth Substitute House Bill No. 1412, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Fourth Substitute House Bill No. 1412, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 64; Nays, 32; Absent, 0; Excused, 2.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Gilday, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, MacEwen, Macri, Morgan, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Goehner, Graham, Hoff, Jacobsen, Klicker, Kraft, Kretz, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rule, Schmick, Sutherland, Walsh, Wilcox, Ybarra and Young.

Excused: Representatives Klippert and Ormsby.

ENGROSSED FOURTH SUBSTITUTE HOUSE BILL NO. 1412, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

March 4, 2022

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1663 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Active municipal solid waste landfill" means a municipal solid waste landfill that has accepted or is accepting solid waste for disposal and has not been closed in accordance with the requirements set forth in WAC 173-351-500 as it existed on January 10, 2022.

(2) "Air pollution" is presence in the outdoor atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as is, or is likely to be, injurious to

human health, plant or animal life, or property, or which unreasonably interfere with enjoyment of life and property. For the purpose of this chapter, air pollution does not include air contaminants emitted in compliance with chapter 17.21 RCW.

(3) "Ambient air" means the surrounding outside air.

(4) "Authority" means any air pollution control agency whose jurisdictional boundaries are coextensive with the boundaries of one or more counties.

(5) "Closed municipal solid waste landfill" means a municipal solid waste landfill that is no longer accepting solid waste for disposal and has been closed in accordance with the requirements set forth in WAC 173-351-500 as it existed on January 10, 2022.

(6) "Department" means the department of ecology.

(7) "Emission" means a release of air contaminants into the ambient air.

(8) "Gas collection system" means any system that employs various gas collection wells and connected piping, and mechanical blowers, fans, pumps, or compressors to create a pressure gradient and actively extract landfill gas.

(9) "Gas control device" means any device used to dispose of or treat collected landfill gas including, but not limited to, enclosed flares, internal combustion engines, boilers and boiler-to-steam turbine systems, fuel cells, and gas turbines.

(10) "Gas control system" means any system that disposes of or treats collected landfill gas by one or more of the following means: Combustion; gas treatment for subsequent sale, or sale for processing offsite, including for transportation fuel and injection into a natural gas pipeline.

(11) "Municipal solid waste landfill" means a discrete area of land or an excavation that receives household waste and that is not a land application site, surface impoundment, injection well, or pile.

(12) "Person" means an individual, firm, public or private corporation, association, partnership, political subdivision of the state, municipality, or governmental agency.

NEW SECTION. **Sec. 2.** (1) This chapter applies to all municipal solid waste landfills that received solid waste after January 1, 1992, except as provided in subsection (2) of this section.

(2) This chapter does not apply to the following landfills:

(a) Landfills that receive only hazardous waste, or are currently regulated under the comprehensive environmental response, compensation, and liability act, 42 U.S.C. chapter 103; and

(b) Landfills that receive only inert waste or nondecomposable wastes.

(3) The department must adopt rules to implement this chapter. The rules adopted by the department must be informed by landfill methane regulations adopted by the California air resources board, the Oregon environmental quality commission, and the United States environmental protection agency.

NEW SECTION. **Sec. 3.** (1) Each owner or operator of an active municipal solid waste landfill having fewer than 450,000 tons of waste in place must submit an annual waste in place report to the department or local authority pursuant to section 7 of this act.

(a) The waste in place report must be prepared for the period of January 1st through December 31st of each year. The report must be submitted to the department or local authority during the subsequent calendar year, with the date of submission to be established by rule as adopted by the department.

(b) The waste in place report must be submitted annually until either:

(i) The active municipal solid waste landfill reaches a size greater than or equal to 450,000 tons of waste in place; or

(ii) The owner or operator submits a closure notification pursuant to section 7 of this act.

(2) Each owner or operator of either an active municipal solid waste landfill having greater than or equal to 450,000 tons of waste in place or a closed municipal solid waste landfill having greater than or equal to 750,000 tons of waste in place must calculate the landfill gas heat input capacity pursuant to section 8 of this act and the department's implementing rules and must

submit a landfill gas heat input capacity report to the department or local authority.

(a) If the calculated landfill gas heat input capacity is less

than 3,000,000 British thermal units per hour recovered, the owner or operator must:

(i) Recalculate the landfill gas heat input capacity annually using the procedures specified in section 8 of this act and the department's implementing rules; and

(ii) Submit an annual landfill gas heat input capacity report to the department or local authority until either of the following conditions are met:

(A) The calculated landfill gas heat input capacity is greater than or equal to 3,000,000 British thermal units per hour recovered; or

(B) If the municipal solid waste landfill is active, the owner or operator submits a closure notification pursuant to section 7 of this act.

(b) If the landfill gas heat input capacity is greater than or equal to 3,000,000 British thermal units per hour recovered, the owner or operator must either:

(i) Comply with the requirements of this chapter and the department's implementing rules; or

(ii) Demonstrate to the satisfaction of the department or local authority that after four consecutive quarterly monitoring periods there is no measured concentration of methane of 200 parts per million by volume or greater using the instantaneous surface monitoring procedures specified in section 8 of this act and the department's implementing rules. Based on the monitoring results, the owner or operator must do one of the following:

(A) If there is any measured concentration of methane of 200 parts per million by volume or greater from the surface of an active, inactive, or closed municipal solid waste landfill, comply with this chapter and the department's implementing rules adopted pursuant to section 2 of this act;

(B) If there is no measured concentration of methane of 200 parts per million by volume or greater from the

surface of an active municipal solid waste landfill, recalculate the landfill gas heat input capacity annually as required in (a) of this subsection until such time that the owner or operator submits a closure notification pursuant to section 7 of this act and the department's implementing rules adopted pursuant to section 2 of this act; or

(C) If there is no measured concentration of methane of 200 parts per million by volume or greater from the surface of a closed or inactive municipal solid waste landfill, the requirements of this chapter and the department's implementing rules adopted pursuant to section 2 of this act no longer apply, provided that the following information is submitted to and approved by the department or local authority:

(I) A waste in place report pursuant to section 7 of this act and the department's implementing rules adopted pursuant to section 2 of this act; and

(II) All instantaneous surface monitoring records.

NEW SECTION. Sec. 4. (1) The owner or operator of any municipal solid waste landfill that has a calculated landfill gas heat input capacity greater than or equal to 3,000,000 British thermal units per hour recovered must install a gas collection and control system that meets the requirements of this section and the department's implementing rules adopted pursuant to section 2 of this act, unless the owner or operator demonstrates to the satisfaction of the department or local authority that after four consecutive quarterly monitoring periods there is no measured concentration of methane of 200 parts per million by volume or greater using the instantaneous surface monitoring procedures specified in section 8 of this act and the department's implementing rules adopted pursuant to section 2 of this act. If a municipal solid waste landfill partners with a third party to operate all or a portion of the gas collection and control system or energy recovery device, the obligation to comply with the requirements of this chapter are the responsibility of the owner or operator of the relevant portion of the gas collection and control system or energy recovery device.

(2) The gas collection and control system must handle the expected gas generation flow rate from the entire area

of the municipal solid waste landfill and must collect gas at an extraction rate to comply with the surface methane emission limits set forth in section 5 of this act and the department's implementing rules.

(3) The gas collection and control system must be designed and operated so that there is no landfill gas leak that exceeds 500 parts per million by volume, measured as methane, at any component under positive pressure.

(4) The gas collection and control system, if it uses a flare, must achieve a methane destruction efficiency of at least 99 percent by weight and must use either an enclosed flare or, if the system uses an open flare, the open flare must comply with the following requirements:

(a) The open flare must meet the requirements of 40 C.F.R. Sec. 60.18 (as last amended by 73 Fed. Reg. 78209, December 22, 2008);

(b) An open flare installed and operating prior to December 31, 2022, may operate until January 1, 2032, unless the owner or operator demonstrates to the satisfaction of the department or local authority that the landfill gas heat input capacity is less than 3,000,000 British thermal units per hour pursuant to section 8 of this act and the department's implementing rules adopted pursuant to section 2 of this act and is insufficient to support the continuous operation of an enclosed flare or other gas control device; and

(c) The owner or operator may temporarily operate an open flare during the repair or maintenance of the gas control system, or while awaiting the installation of an enclosed flare, or to address offsite gas migration issues. Any owner or operator seeking to temporarily operate an open flare must submit a written request to the department or local authority pursuant to section 10 of this act and the department's implementing rules adopted pursuant to section 2 of this act.

(5) If the gas collection and control system does not use a flare, it must either route the collected gas to an energy recovery device or devices, or must route the collected gas to a treatment system that processes the collected gas for subsequent sale or use.

(6) If a gas collection and control system routes the collected gas to an

energy recovery device or devices, the owner or operator of the energy recovery device or devices must comply with the following requirements:

(a) The device or devices must achieve a methane destruction efficiency of at least 97 percent by weight, except for lean-burn internal combustion engines that were installed and operating prior to January 1, 2022, which must reduce the outlet methane concentration to less than 3,000 parts per million by volume, dry basis corrected to 15 percent oxygen; and

(b) If a boiler or a process heater is used as the gas control device, the landfill gas stream must be introduced into the flame zone, except that where the landfill gas is not the primary fuel for the boiler or process heater, introduction of the landfill gas stream into the flame zone is not required.

(7) If a gas collection and control system routes the collected gas to a treatment system that processes the collected gas for subsequent sale or use, the owner or operator of the treatment system must ensure the system achieves a methane leak rate of three percent or less by weight. Venting of processed landfill gas to the ambient air is not allowed. If the processed landfill gas cannot be routed for subsequent sale or use, then the treated landfill gas must be controlled according to subsection (4) of this section.

(8) The owner or operator of a municipal solid waste landfill must conduct a source test for any gas control device or devices subject to this section using the test methods identified in section 8 of this act and the department's implementing rules adopted pursuant to section 2 of this act. If a gas control device is currently in compliance with source testing requirements as of the effective date of this section, the owner or operator must conduct the source test no less frequently than once every five years. If a gas control device is currently not in compliance with source testing requirements as of the effective date of this section, or if a subsequent source test shows the gas control device is out of compliance, the owner or operator must conduct the source test no less frequently than once per year until two subsequent consecutive tests both show compliance. Upon two subsequent consecutive compliant tests, the owner or operator may return to conducting the

source test no less frequently than once every five years.

NEW SECTION. **Sec. 5.** (1) Except as provided in section 4 of this act, beginning January 1st of the year following the year in which the department adopts rules to implement this chapter, or upon commencing operation of a newly installed gas collection and control system or modification of an existing gas collection and control system pursuant to section 4 of this act, whichever is later, and except as provided by the department to accommodate significant technological improvements, which may include the installation of an energy recovery device or devices, not to exceed 24 months after the department adopts rules to implement this chapter, no location on a municipal solid waste landfill surface may exceed the following methane concentration limits, dependent upon whether the owner or operator of the municipal solid waste landfills conducts, pursuant to section 6 of this act, instantaneous surface emissions monitoring or integrated surface emissions monitoring:

(a) Five hundred parts per million by volume, other than nonrepeatable, momentary readings, as determined by instantaneous surface emissions monitoring; or

(b) An average methane concentration limit of 25 parts per million by volume as determined by integrated surface emissions monitoring.

(2) Any reading exceeding the limits set forth in subsection (1) of this section must be recorded as an exceedance and the following actions must be taken:

(a) The owner or operator must record the date, location, and value of each exceedance, along with retest dates and results. The location of each exceedance must be clearly marked and identified on a topographic map of the municipal solid waste landfill, drawn to scale, with the location of both the monitoring grids and the gas collection system clearly identified; and

(b) The owner or operator must take corrective action, which may include, but not be limited to, maintenance or repair of the cover, or well vacuum adjustments. The location or locations of any exceedance must be remonitored within 10 calendar days of a measured exceedance.

(3) The requirements of this section do not apply to:

(a) The working face of the landfill;

(b) Areas of the landfill surface where the landfill cover material has been removed for the purpose of installing, expanding, replacing, or repairing components of the landfill cover system, the landfill gas collection and control system, the leachate collection and removal system, or a landfill gas condensate collection and removal system;

(c) Areas of the landfill surface where the landfill cover material has been removed for law enforcement activities requiring excavation; or

(d) Areas of the landfill in which the landfill owner or operator, or a designee of the owner or operator, is engaged in active mining for minerals or metals.

NEW SECTION. **Sec. 6.** (1) The owner or operator of a municipal solid waste landfill with a gas collection and control system must conduct instantaneous or integrated surface monitoring of the landfill surface according to the requirements specified in implementing rules adopted by the department pursuant to section 2 of this act.

(2) The owner or operator of a municipal solid waste landfill with a gas collection and control system must monitor the gas control system according to the requirements specified in implementing rules adopted by the department pursuant to section 2 of this act.

(3) The owner or operator of a municipal solid waste landfill with a gas collection and control system must monitor each individual wellhead to determine the gauge pressure according to the requirements specified in implementing rules adopted by the department pursuant to section 2 of this act.

NEW SECTION. **Sec. 7.** (1) The owner or operator of a municipal solid waste landfill must maintain records and prepare reports as prescribed in this section and in the department's implementing rules adopted pursuant to section 2 of this act.

(2) The owner or operator of a municipal solid waste landfill must maintain records related to monitoring,

testing, landfill operations, and the operation of the gas control device, gas collection system, and gas control system. The records must be provided by the owner or operator to the department or local authority within five business days of a request from the department or local authority.

(3) The owner or operator of a municipal solid waste landfill that ceases to accept waste must submit a closure notification to the department or local authority within 30 days of ceasing to accept waste.

(4) The owner or operator of a municipal solid waste landfill must submit a gas collection and control system equipment removal report to the department or local authority within 30 days of well capping or the removal or cessation of operation of the gas collection, treatment, or control system equipment.

(5) The owner or operator of either an active municipal solid waste landfill with 450,000 or more tons of waste in place or a closed municipal solid waste landfill with 750,000 or more tons of waste in place must prepare an annual report for the period of January 1st through December 31st of each year. The annual report must include a calculation of landfill gas heat input capacity. Each annual report must be submitted to the department and local authority during the subsequent calendar year, with the date of submission to be established through rules adopted by the department.

(6) The owner or operator of an active municipal solid waste landfill with fewer than 450,000 tons of waste in place must submit a waste in place report to the department or local authority.

NEW SECTION. **Sec. 8.** (1) Any instrument used for the measurement of methane must be a hydrocarbon detector or other equivalent instrument approved by the department or local authority based on standards adopted by the department that address calibration, specifications, and performance criteria.

(2) The determination of landfill gas heat input capacity must be calculated consistent with the department's implementing rules adopted pursuant to section 2 of this act.

(3) The owner or operator of a municipal solid waste landfill must

measure the landfill surface concentration of methane using a hydrocarbon detector meeting the requirements of this section and the department's implementing rules adopted pursuant to section 2 of this act.

(4) The owner or operator of a municipal solid waste landfill must measure leaks using a hydrocarbon detector meeting the requirements of this section and the department's implementing rules adopted pursuant to section 2 of this act.

(5) The expected gas generation flow rate must be determined according to the department's implementing rules adopted pursuant to section 2 of this act.

(6) The control device destruction efficiency must be determined according to the department's implementing rules adopted pursuant to section 2 of this act.

(7) Gauge pressure must be determined using a hand-held manometer, magnehelic gauge, or other pressure measuring device approved by the department or local authority.

(8) Alternative test methods may be used if they are approved in writing by the department or local authority.

NEW SECTION. **Sec. 9.** (1) The department or local authority must allow the capping or removal of the gas collection and control system at a closed municipal solid waste landfill, provided the following three requirements are met:

(a) The gas collection and control system was in operation for at least 15 years, unless the owner or operator demonstrates to the satisfaction of the department or local authority that due to declining methane rates, the municipal solid waste landfill will be unable to operate the gas collection and control system for a 15 year period;

(b) Surface methane concentration measurements do not exceed the limits specified in section 5 of this act; and

(c) The owner or operator submits an equipment removal report to the department or local authority pursuant to section 7 of this act and the department's implementing rules adopted pursuant to section 2 of this act.

(2) Nothing in this section may be interpreted to modify or supersede requirements related to the capping or

removal of gas collection and control systems that may exist under the state clean air act, the federal clean air act, or rules adopted pursuant to either the state clean air act or the federal clean air act.

NEW SECTION. **Sec. 10.** (1) The owner or operator of a municipal solid waste landfill may request alternatives to the compliance measures, monitoring requirements, and test methods and procedures set forth in sections 4, 6, and 8 of this act, and the department's implementing rules adopted pursuant to section 2 of this act. Any alternatives requested by the owner or operator must be submitted in writing to the department.

(2) The criteria that the department may use to evaluate alternative compliance option requests include, but are not limited to: Compliance history; documentation containing the landfill gas flow rate and measured methane concentrations for individual gas collection wells or components; permits; component testing and surface monitoring results; gas collection and control system operation, maintenance, and inspection records; and historical meteorological data.

(3) The department must review the requested alternatives and either approve or disapprove the alternatives within 120 days. The department may request that additional information be submitted as part of the review of the requested alternatives.

(4) If a request for an alternative compliance option is denied, the department must provide written reasons for the denial.

(5) The department must deny a request for alternative compliance measures if the request does not provide levels of enforceability or methane emissions control that are equivalent to those set forth in this chapter or in the department's implementing rules adopted pursuant to section 2 of this act.

NEW SECTION. **Sec. 11.** The department or local authority may request that any owner or operator of a municipal solid waste landfill demonstrate that a landfill does not meet the applicability criteria specified in section 2 of this act. Such a demonstration must be submitted to the department or local authority within 90 days of a written

request received from the department or local authority.

NEW SECTION. Sec. 12. Any person who violates this chapter or any rules that implement this chapter may incur a civil penalty pursuant to RCW 70A.15.3160. The department shall waive penalties in the event the owner or operator of the landfill is actively taking corrective actions to control any methane exceedances. Penalties collected under this section must be deposited into the air pollution control account created in RCW 70A.15.1010 and may only be used to implement chapter 70A.--- RCW (the new chapter created in section 18 of this act).

NEW SECTION. Sec. 13. The department and local authorities may assess and collect such fees as may be necessary to recover the direct and indirect costs associated with the implementation of this chapter.

Sec. 14. RCW 70A.65.080 and 2021 c 316 s 10 are each amended to read as follows:

(1) A person is a covered entity as of the beginning of the first compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 for any calendar year from 2015 through 2019, or if additional data provided as required by this chapter indicates that emissions for any calendar year from 2015 through 2019 equaled or exceeded any of the following thresholds, or if the person is a first jurisdictional deliverer and imports electricity into the state during the compliance period:

(a) Where the person owns or operates a facility and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent;

(b) Where the person is a first jurisdictional deliverer and generates electricity in the state and emissions associated with this generation equals or exceeds 25,000 metric tons of carbon dioxide equivalent;

(c) Where the person is a first jurisdictional deliverer importing electricity into the state and the cumulative annual total of emissions associated with the imported electricity, whether from specified or unspecified sources, exceeds 25,000 metric tons of carbon dioxide equivalent. In consultation with any linked

jurisdiction to the program created by this chapter, by October 1, 2026, the department, in consultation with the department of commerce and the utilities and transportation commission, shall adopt by rule a methodology for addressing imported electricity associated with a centralized electricity market;

(d) Where the person is a supplier of fossil fuel other than natural gas and from that fuel 25,000 metric tons or more of carbon dioxide equivalent emissions would result from the full combustion or oxidation, excluding the amounts for fuel products that are produced or imported with a documented final point of delivery outside of Washington and combusted outside of Washington; and

(e)(i) Where the person supplies natural gas in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts for fuel products that are produced or imported with a documented final point of delivery outside of Washington and combusted outside of Washington, and excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities;

(ii) Where the person who is not a natural gas company and has a tariff with a natural gas company to deliver to an end-use customer in the state in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) the amounts delivered to opt-in entities;

(iii) Where the person is an end-use customer in the state who directly purchases natural gas from a person that is not a natural gas company and has the natural gas delivered through an interstate pipeline to a distribution system owned by the purchaser in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities.

(2) A person is a covered entity as of the beginning of the second compliance period and all subsequent compliance

periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2023 through 2025, where the person owns or operates a waste to energy facility utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(3) ~~((a))~~ A person is a covered entity beginning January 1, 2031, and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2027 through 2029, where the person owns or operates a ~~((+~~

~~(i) Landfill utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent; or~~

~~(ii) Railroad))~~ railroad company, as that term is defined in RCW 81.04.010, and the railroad company's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

~~((b) Subsection (a) of this subsection does not apply to owners or operators of landfills that:~~

~~(i) Capture at least 75 percent of the landfill gas generated by the decomposition of waste using methods under 40 C.F.R. Part 98, Subpart III - Municipal Solid Waste landfills, and subsequent updates; and~~

~~(ii) Operate a program, individually or through partnership with another entity, that results in the production of renewable natural gas or electricity from landfill gas generated by the facility.~~

~~(c) It is the intent of the legislature to adopt a greenhouse gas reduction policy specific to landfills. If such a policy is not enacted by January 1, 2030, the requirements of this subsection (3) take full effect.)~~

(4) When a covered entity reports, during a compliance period, emissions from a facility under RCW 70A.15.2200 that are below the thresholds specified in subsection (1) or (2) of this section, the covered entity continues to have a compliance obligation through the current compliance period. When a covered entity reports emissions below the threshold for each year during an entire

compliance period, or has ceased all processes at the facility requiring reporting under RCW 70A.15.2200, the entity is no longer a covered entity as of the beginning of the subsequent compliance period unless the department provides notice at least 12 months before the end of the compliance period that the facility's emissions were within 10 percent of the threshold and that the person will continue to be designated as a covered entity in order to ensure equity among all covered entities. Whenever a covered entity ceases to be a covered entity, the department shall notify the appropriate policy and fiscal committees of the legislature of the name of the entity and the reason the entity is no longer a covered entity.

(5) For types of emission sources described in subsection (1) of this section that begin or modify operation after January 1, 2023, and types of emission sources described in subsection (2) of this section that begin or modify operation after 2027, coverage under the program starts in the calendar year in which emissions from the source exceed the applicable thresholds in subsection (1) or (2) of this section, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold, whichever happens first. Sources meeting these conditions are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions were equal to or exceeded the emissions threshold.

(6) For emission sources described in subsection (1) of this section that are in operation or otherwise active between 2015 and 2019 but were not required to report emissions for those years under RCW 70A.15.2200 for the reporting periods between 2015 and 2019, coverage under the program starts in the calendar year following the year in which emissions from the source exceed the applicable thresholds in subsection (1) of this section as reported pursuant to RCW 70A.15.2200 or provided as required by this chapter, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold for the first year that source is required to report emissions, whichever happens first. Sources meeting these criteria are required to transfer their first allowances on the first transfer deadline

of the year following the year in which their emissions, as reported under RCW 70A.15.2200 or provided as required by this chapter, were equal to or exceeded the emissions threshold.

(7) The following emissions are exempt from coverage in the program, regardless of the emissions reported under RCW 70A.15.2200 or provided as required by this chapter:

(a) Emissions from the combustion of aviation fuels;

(b) Emissions from watercraft fuels supplied in Washington that are combusted outside of Washington;

(c) Emissions from a coal-fired electric generation facility exempted from additional greenhouse gas limitations, requirements, or performance standards under RCW 80.80.110;

(d) Carbon dioxide emissions from the combustion of biomass or biofuels;

(e)(i) Motor vehicle fuel or special fuel that is used exclusively for agricultural purposes by a farm fuel user. This exemption is available only if a buyer of motor vehicle fuel or special fuel provides the seller with an exemption certificate in a form and manner prescribed by the department. For the purposes of this subsection, "agricultural purposes" and "farm fuel user" have the same meanings as provided in RCW 82.08.865.

(ii) The department must determine a method for expanding the exemption provided under (e)(i) of this subsection to include fuels used for the purpose of transporting agricultural products on public highways. The department must maintain this expanded exemption for a period of five years, in order to provide the agricultural sector with a feasible transition period; ~~((and))~~

(f) Emissions from facilities with North American industry classification system code 92811 (national security); and

(g) Emissions from municipal solid waste landfills that are subject to, and in compliance with, chapter 70A.--- RCW (the new chapter created in section 18 of this act).

(8) The department shall not require multiple covered entities to have a compliance obligation for the same

emissions. The department may by rule authorize refineries, fuel suppliers, facilities using natural gas, and natural gas utilities to provide by agreement for the assumption of the compliance obligation for fuel or natural gas supplied and combusted in the state. The department must be notified of such an agreement at least 12 months prior to the compliance obligation period for which the agreement is applicable.

(9)(a) The legislature intends to promote a growing and sustainable economy and to avoid leakage of emissions from manufacturing to other locations. The legislature further intends to see innovative new businesses locate and grow in Washington that contribute to Washington's prosperity and environmental objectives.

(b) Consistent with the intent of the legislature to avoid the leakage of emissions to other jurisdictions, in achieving the state's greenhouse gas limits in RCW 70A.45.020, the state, including lead agencies under chapter 43.21C RCW, shall pursue the limits in a manner that recognizes that the siting and placement of new or expanded best-in-class facilities with lower carbon emitting processes is in the economic and environmental interests of the state of Washington.

(c) In conducting a life-cycle analysis, if required, for new or expanded facilities that require review under chapter 43.21C RCW, a lead agency must evaluate and attribute any potential net cumulative greenhouse gas emissions resulting from the project as compared to other existing facilities or best available technology including best-in-class facilities and emerging lower carbon processes that supply the same product or end use. The department may adopt rules to determine the appropriate threshold for applying this analysis.

(d) Covered emissions from an entity that is or will be a covered entity under this chapter may not be the basis for denial of a permit for a new or expanded facility. Covered emissions must be included in the analysis undertaken pursuant to (c) of this subsection. Nothing in this subsection requires a lead agency or a permitting agency to approve or issue a permit to a permit applicant, including to a new or expanded fossil fuel project.

(e) A lead agency under chapter 43.21C RCW or a permitting agency shall allow a new or expanded facility that is a covered entity or opt-in entity to satisfy a mitigation requirement for its covered emissions under chapter 316, Laws of 2021 and under any greenhouse gas emission mitigation requirements for covered emissions under chapter 43.21C RCW by submitting to the department the number of compliance instruments equivalent to its covered emissions during a compliance period.

Sec. 15. RCW 70A.15.3160 and 2021 c 317 s 25, 2021 c 315 s 16, and 2021 c 132 s 1 are each reenacted and amended to read as follows:

(1)(a) Except as provided in RCW 43.05.060 through 43.05.080 and 43.05.150, and in addition to or as an alternate to any other penalty provided by law, any person who violates any of the provisions of this chapter, chapter 70A.25, 70A.60, 70A.450, (~~or 70A.60~~) 70A.535 ((RCW)), or 70A.--- RCW (the new chapter created in section 18 of this act), RCW 76.04.205, or any of the rules in force under such chapters or section may incur a civil penalty in an amount not to exceed ten thousand dollars per day for each violation. Each such violation shall be a separate and distinct offense, and in case of a continuing violation, each day's continuance shall be a separate and distinct violation. Enforcement actions related to violations of RCW 76.04.205 must be consistent with the provisions of RCW 76.04.205.

(b) Any person who fails to take action as specified by an order issued pursuant to this chapter shall be liable for a civil penalty of not more than ten thousand dollars for each day of continued noncompliance.

(2)(a) Penalties incurred but not paid shall accrue interest, beginning on the ninety-first day following the date that the penalty becomes due and payable, at the highest rate allowed by RCW 19.52.020 on the date that the penalty becomes due and payable. If violations or penalties are appealed, interest shall not begin to accrue until the thirty-first day following final resolution of the appeal.

(b) The maximum penalty amounts established in this section may be increased annually to account for inflation as determined by the state

office of the economic and revenue forecast council.

(3) Each act of commission or omission which procures, aids or abets in the violation shall be considered a violation under the provisions of this section and subject to the same penalty. The penalties provided in this section shall be imposed pursuant to RCW 43.21B.300.

(4)(a) Except as provided in (b) of this subsection, all penalties recovered under this section by the department or the department of natural resources shall be paid into the state treasury and credited to the air pollution control account established in RCW 70A.15.1010 or, if recovered by the authority, shall be paid into the treasury of the authority and credited to its funds. If a prior penalty for the same violation has been paid to a local authority, the penalty imposed by the department under subsection (1) of this section shall be reduced by the amount of the payment.

(b) All penalties recovered for violations of chapter 70A.60 RCW must be paid into the state treasury and credited to the refrigerant emission management account created in RCW 70A.60.050.

(5) To secure the penalty incurred under this section, the state or the authority shall have a lien on any vessel used or operated in violation of this chapter which shall be enforced as provided in RCW 60.36.050.

(6) Public or private entities that are recipients or potential recipients of department grants, whether for air quality related activities or not, may have such grants rescinded or withheld by the department for failure to comply with provisions of this chapter.

(7) In addition to other penalties provided by this chapter, persons knowingly underreporting emissions or other information used to set fees, or persons required to pay emission or permit fees who are more than ninety days late with such payments may be subject to a penalty equal to three times the amount of the original fee owed.

(8) The department shall develop rules for excusing excess emissions from enforcement action if such excess emissions are unavoidable. The rules shall specify the criteria and procedures for the department and local air authorities to determine whether a period of excess emissions is excusable in

accordance with the state implementation plan.

Sec. 16. RCW 70A.15.1010 and 2021 c 315 s 13 are each amended to read as follows:

(1) The air pollution control account is established in the state treasury. All receipts collected by or on behalf of the department from RCW 70A.15.2200(2), and receipts from nonpermit program sources under RCW 70A.15.2210(1) and 70A.15.2230(7), and all receipts from RCW 70A.15.5090 ~~((and))~~, 70A.15.5120, and section 12 of this act shall be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only to develop and implement the provisions of this chapter, chapters 70A.25 and 70A.--- (the new chapter created in section 18 of this act) RCW, and RCW 70A.60.060. Moneys collected under section 12 of this act may only be used to implement chapter 70A.--- RCW (the new chapter created in section 18 of this act).

(2) The amounts collected and allocated in accordance with this section shall be expended upon appropriation except as otherwise provided in this section and in accordance with the following limitations:

Portions of moneys received by the department of ecology from the air pollution control account shall be distributed by the department to local authorities based on:

(a) The level and extent of air quality problems within such authority's jurisdiction;

(b) The costs associated with implementing air pollution regulatory programs by such authority; and

(c) The amount of funding available to such authority from other sources, whether state, federal, or local, that could be used to implement such programs.

(3) The air operating permit account is created in the custody of the state treasurer. All receipts collected by or on behalf of the department from permit program sources under RCW 70A.15.2210(1), 70A.15.2260, 70A.15.2270, and 70A.15.2230(7) shall be deposited into the account. Expenditures from the account may be used only for the activities described in RCW 70A.15.2210(1), 70A.15.2260,

70A.15.2270, and 70A.15.2230(7). Moneys in the account may be spent only after appropriation.

Sec. 17. RCW 70A.65.260 and 2021 c 316 s 29 are each amended to read as follows:

(1) The climate commitment account is created in the state treasury. The account must receive moneys distributed to the account from the climate investment account created in RCW 70A.65.250. Moneys in the account may be spent only after appropriation. Projects, activities, and programs eligible for funding from the account must be physically located in Washington state and include, but are not limited to, the following:

(a) Implementing the working families tax rebate in RCW 82.08.0206;

(b) Supplementing the growth management planning and environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and 36.70A.600, for costs associated with RCW 36.70A.610, and to cover costs associated with the adoption of optional elements of comprehensive plans consistent with RCW 43.21C.420;

(c) Programs, activities, or projects that reduce and mitigate impacts from greenhouse gases and copollutants in overburdened communities, including strengthening the air quality monitoring network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in RCW 70A.65.020;

(d) Programs, activities, or projects that deploy renewable energy resources, such as solar and wind power, and projects to deploy distributed generation, energy storage, demand-side technologies and strategies, and other grid modernization projects;

(e) Programs, activities, or projects that increase the energy efficiency or reduce greenhouse gas emissions of industrial facilities including, but not limited to, proposals to implement combined heat and power, district energy, or on-site renewables, such as solar and wind power, to upgrade the energy efficiency of existing equipment, to reduce process emissions, and to switch to less emissions intensive fuel sources;

(f) Programs, activities, or projects that achieve energy efficiency or emissions reductions in the agricultural sector including:

- (i) Fertilizer management;
- (ii) Soil management;
- (iii) Bioenergy;
- (iv) Biofuels;
- (v) Grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations;
- (vi) Grants, loans, or any financial incentives to food processors to implement projects that reduce greenhouse gas emissions;
- (vii) Renewable energy projects;
- (viii) Farmworker housing weatherization programs;
- (ix) Dairy digester research and development;
- (x) Alternative manure management; and
- (xi) Eligible fund uses under RCW 89.08.615;

(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component building materials;

(h) Programs, activities, or projects that promote the electrification and decarbonization of new and existing buildings, including residential, commercial, and industrial buildings;

(i) Programs, activities, or projects that improve energy efficiency, including district energy, and investments in market transformation of high efficiency electric appliances and equipment for space and water heating;

(j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand clean manufacturing capacity in communities across

Washington state including, but not limited to:

(i) Programs, activities, or projects that directly improve energy affordability and reduce the energy burden of people with lower incomes, as well as the higher transportation fuel burden of rural residents, such as bill assistance, energy efficiency, and weatherization programs;

(ii) Community renewable energy projects that allow qualifying participants to own or receive the benefits of those projects at reduced or no cost;

(iii) Programs, activities, or other worker-support projects for bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy economy. Worker support may include, but is not limited to: (A) Full wage replacement, health benefits, and pension contributions for every worker within five years of retirement; (B) full wage replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up to five years of service; (C) wage insurance for up to five years for workers reemployed who have more than five years of service; (D) up to two years of retraining costs, including tuition and related costs, based on in-state community and technical college costs; (E) peer counseling services during transition; (F) employment placement services, prioritizing employment in the clean energy sector; and (G) relocation expenses;

(iv) Direct investment in workforce development, via technical education, community college, institutions of higher education, apprenticeships, and other programs including, but not limited to:

(A) Initiatives to develop a forest health workforce established under RCW 76.04.521; and

(B) Initiatives to develop new education programs, emerging fields, or jobs pertaining to the clean energy economy;

(v) Transportation, municipal service delivery, and technology investments that increase a community's capacity for clean manufacturing, with an emphasis on communities in greatest need of job

creation and economic development and potential for commute reduction;

(k) Programs, activities, or projects that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials, methane capture or conversion strategies, (~~or other means~~) installation of gas collection devices and gas control systems, monitoring and reporting of methane emissions, or other means, prioritizing funding needed for any activities by local governments to comply with chapter 70A.--- RCW (the new chapter created in section 18 of this act);

(l) Carbon dioxide removal projects, programs, and activities; and

(m) Activities to support efforts to mitigate and adapt to the effects of climate change affecting Indian tribes, including capital investments in support of the relocation of Indian tribes located in areas at heightened risk due to anticipated sea level rise, flooding, or other disturbances caused by climate change. The legislature intends to dedicate at least \$50,000,000 per biennium from the account for purposes of this subsection.

(2) Moneys in the account may not be used for projects or activities that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

NEW SECTION. Sec. 18. Sections 1 through 13 of this act constitute a new chapter in Title 70A RCW.

NEW SECTION. Sec. 19. 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."

On page 1, line 1 of the title, after "landfills;" strike the remainder of the title and insert "amending RCW 70A.65.080, 70A.15.1010, and 70A.65.260; reenacting and amending RCW 70A.15.3160; adding a new chapter to Title 70A RCW; and prescribing penalties."

and the same is herewith transmitted.

Sarah Bannister, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1663 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Duerr and Dye spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1663, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1663, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 58; Nays, 38; Absent, 0; Excused, 2.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Dye, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Sutherland, Vick, Volz, Walen, Walsh, Wilcox, Ybarra and Young.

Excused: Representatives Klippert and Ormsby.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1663, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

March 8, 2022

Madame Speaker:

The Senate receded from its amendment(s) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821, and under suspension of the rules returned ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821 to second reading for purpose of amendment(s). The Senate further adopted amendment 1821-S.E AMS MUZZ S5421.1 and passed the measure as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 41.05.700 and 2021 c 157 s 1 are each amended to read as follows:

(1)(a) A health plan offered to employees, school employees, and their covered dependents under this chapter issued or renewed on or after January 1, 2017, shall reimburse a provider for a health care service provided to a covered person through telemedicine or store and forward technology if:

(i) The plan provides coverage of the health care service when provided in person by the provider;

(ii) The health care service is medically necessary;

(iii) The health care service is a service recognized as an essential health benefit under section 1302(b) of the federal patient protection and affordable care act in effect on January 1, 2015;

(iv) The health care service is determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards, and the technology used to provide the health care service meets the standards required by state and federal laws governing the privacy and security of protected health information; and

(v) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(b)(i) Except as provided in (b)(ii) of this subsection, a health plan offered to employees, school employees, and their covered dependents under this chapter issued or renewed on or after January 1, 2021, shall reimburse a provider for a health care service provided to a covered person through telemedicine the same amount of compensation the carrier would pay the provider if the health care service was provided in person by the provider.

(ii) Hospitals, hospital systems, telemedicine companies, and provider groups consisting of eleven or more providers may elect to negotiate an amount of compensation for telemedicine services that differs from the amount of compensation for in-person services.

(iii) For purposes of this subsection (1)(b), the number of providers in a provider group refers to all providers within the group, regardless of a provider's location.

(2) For purposes of this section, reimbursement of store and forward technology is available only for those covered services specified in the negotiated agreement between the health plan and health care provider.

(3) An originating site for a telemedicine health care service subject to subsection (1) of this section includes a:

(a) Hospital;

(b) Rural health clinic;

(c) Federally qualified health center;

(d) Physician's or other health care provider's office;

(e) Licensed or certified behavioral health agency;

(f) Skilled nursing facility;

(g) Home or any location determined by the individual receiving the service; or

(h) Renal dialysis center, except an independent renal dialysis center.

(4) Except for subsection (3)(g) of this section, any originating site under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement for a facility fee must be subject to a negotiated agreement between the originating site and the health plan. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) The plan may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) The plan may subject coverage of a telemedicine or store and forward technology health service under subsection (1) of this section to all terms and conditions of the plan including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to

coverage of a comparable health care service provided in person.

(7) This section does not require the plan to reimburse:

(a) An originating site for professional fees;

(b) A provider for a health care service that is not a covered benefit under the plan; or

(c) An originating site or health care provider when the site or provider is not a contracted provider under the plan.

(8)(a) If a provider intends to bill a patient or the patient's health plan for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered.

(b) If the health care authority has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the health care authority may submit information to the appropriate disciplining authority, as defined in RCW 18.130.020, for action. Prior to submitting information to the appropriate disciplining authority, the health care authority may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the health care authority or initiated directly by an enrollee, the disciplining authority shall notify the health care authority of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a)(i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating

site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results;

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

(d) "Established relationship" means the provider providing audio-only telemedicine has access to sufficient health records to ensure safe, effective, and appropriate care services and:

(i) For health care services included in the essential health benefits category of mental health and substance use disorder services, including behavioral health treatment:

(A) The covered person has had, within the past three years, at least one in-person appointment ((within the past year)), or at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the provider providing audio-only telemedicine; or ((the))

(B) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past three years, at least one in-person appointment, or at least one real-time interactive appointment using both audio and video technology, with the covered person ((within the past year)) and has provided relevant medical information to the provider providing audio-only telemedicine;

(ii) For any other health care service:

(A) The covered person has had, within the past two years, at least one in-person appointment, or, until January 1, 2024, at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the provider providing audio-only telemedicine; or

(B) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past two years, at least one in-person appointment, or, until January 1, 2024, at least one real-time interactive appointment using both audio and video technology, with the covered person and has provided relevant medical information to the provider providing audio-only telemedicine;

(e) "Health care service" has the same meaning as in RCW 48.43.005;

(f) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

(g) "Originating site" means the physical location of a patient receiving health care services through telemedicine;

(h) "Provider" has the same meaning as in RCW 48.43.005;

(i) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

(j) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" includes audio-only telemedicine, but does not include facsimile or email.

Sec. 2. RCW 48.43.735 and 2021 c 157 s 2 are each amended to read as follows:

(1)(a) For health plans issued or renewed on or after January 1, 2017, a health carrier shall reimburse a provider for a health care service provided to a covered person through telemedicine or store and forward technology if:

(i) The plan provides coverage of the health care service when provided in person by the provider;

(ii) The health care service is medically necessary;

(iii) The health care service is a service recognized as an essential health benefit under section 1302(b) of the federal patient protection and affordable care act in effect on January 1, 2015;

(iv) The health care service is determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards, and the technology used to provide the health care service meets the standards required by state and federal laws governing the privacy and security of protected health information; and

(v) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(b)(i) Except as provided in (b)(ii) of this subsection, for health plans issued or renewed on or after January 1, 2021, a health carrier shall reimburse a provider for a health care service provided to a covered person through telemedicine the same amount of compensation the carrier would pay the provider if the health care service was provided in person by the provider.

(ii) Hospitals, hospital systems, telemedicine companies, and provider groups consisting of eleven or more providers may elect to negotiate an amount of compensation for telemedicine services that differs from the amount of compensation for in-person services.

(iii) For purposes of this subsection (1)(b), the number of providers in a provider group refers to all providers within the group, regardless of a provider's location.

(2) For purposes of this section, reimbursement of store and forward

technology is available only for those covered services specified in the negotiated agreement between the health carrier and the health care provider.

(3) An originating site for a telemedicine health care service subject to subsection (1) of this section includes a:

- (a) Hospital;
- (b) Rural health clinic;
- (c) Federally qualified health center;
- (d) Physician's or other health care provider's office;
- (e) Licensed or certified behavioral health agency;
- (f) Skilled nursing facility;
- (g) Home or any location determined by the individual receiving the service; or
- (h) Renal dialysis center, except an independent renal dialysis center.

(4) Except for subsection (3)(g) of this section, any originating site under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement for a facility fee must be subject to a negotiated agreement between the originating site and the health carrier. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) A health carrier may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) A health carrier may subject coverage of a telemedicine or store and forward technology health service under subsection (1) of this section to all terms and conditions of the plan in which the covered person is enrolled including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable health care service provided in person.

(7) This section does not require a health carrier to reimburse:

- (a) An originating site for professional fees;

(b) A provider for a health care service that is not a covered benefit under the plan; or

(c) An originating site or health care provider when the site or provider is not a contracted provider under the plan.

(8)(a) If a provider intends to bill a patient or the patient's health plan for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered.

(b) If the commissioner has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the commissioner may submit information to the appropriate disciplining authority, as defined in RCW 18.130.020, for action. Prior to submitting information to the appropriate disciplining authority, the commissioner may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the commissioner or initiated directly by an enrollee, the disciplining authority shall notify the commissioner of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a)(i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

- (A) The use of facsimile or email; or
- (B) The delivery of health care services that are customarily delivered

by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results;

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

(d) "Established relationship" means the provider providing audio-only telemedicine has access to sufficient health records to ensure safe, effective, and appropriate care services and:

(i) For health care services included in the essential health benefits category of mental health and substance use disorder services, including behavioral health treatment:

(A) The covered person has had, within the past three years, at least one in-person appointment (~~within the past year~~), or at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the provider providing audio-only telemedicine; or ((the))

(B) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past three years, at least one in-person appointment, or at least one real-time interactive appointment using both audio and video technology, with the covered person (~~within the past year~~) and has provided relevant medical information to the provider providing audio-only telemedicine;

(ii) For any other health care service:

(A) The covered person has had, within the past two years, at least one in-person appointment, or, until January 1, 2024, at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical

group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the provider providing audio-only telemedicine; or

(B) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past two years, at least one in-person appointment, or, until January 1, 2024, at least one real-time interactive appointment using both audio and video technology, with the covered person and has provided relevant medical information to the provider providing audio-only telemedicine;

(e) "Health care service" has the same meaning as in RCW 48.43.005;

(f) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

(g) "Originating site" means the physical location of a patient receiving health care services through telemedicine;

(h) "Provider" has the same meaning as in RCW 48.43.005;

(i) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

(j) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" includes audio-only telemedicine, but does not include facsimile or email.

~~((9) [(10)])~~ (10) The commissioner may adopt any rules necessary to implement this section.

Sec. 3. RCW 71.24.335 and 2021 c 157 s 4 and 2021 c 100 s 1 are each reenacted and amended to read as follows:

(1) Upon initiation or renewal of a contract with the authority, behavioral health administrative services organizations and managed care

organizations shall reimburse a provider for a behavioral health service provided to a covered person through telemedicine or store and forward technology if:

(a) The behavioral health administrative services organization or managed care organization in which the covered person is enrolled provides coverage of the behavioral health service when provided in person by the provider;

(b) The behavioral health service is medically necessary; and

(c) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(2)(a) If the service is provided through store and forward technology there must be an associated visit between the covered person and the referring provider. Nothing in this section prohibits the use of telemedicine for the associated office visit.

(b) For purposes of this section, reimbursement of store and forward technology is available only for those services specified in the negotiated agreement between the behavioral health administrative services organization, or managed care organization, and the provider.

(3) An originating site for a telemedicine behavioral health service subject to subsection (1) of this section means an originating site as defined in rule by the department or the health care authority.

(4) Any originating site, other than a home, under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement must be subject to a negotiated agreement between the originating site and the behavioral health administrative services organization, or managed care organization, as applicable. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) Behavioral health administrative services organizations and managed care organizations may not distinguish between originating sites that are rural and urban in providing the coverage

required in subsection (1) of this section.

(6) Behavioral health administrative services organizations and managed care organizations may subject coverage of a telemedicine or store and forward technology behavioral health service under subsection (1) of this section to all terms and conditions of the behavioral health administrative services organization or managed care organization in which the covered person is enrolled, including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable behavioral health care service provided in person.

(7) This section does not require a behavioral health administrative services organization or a managed care organization to reimburse:

(a) An originating site for professional fees;

(b) A provider for a behavioral health service that is not a covered benefit; or

(c) An originating site or provider when the site or provider is not a contracted provider.

(8)(a) If a provider intends to bill a patient, a behavioral health administrative services organization, or a managed care organization for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered.

(b) If the health care authority has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the health care authority may submit information to the appropriate disciplining authority, as defined in RCW 18.130.020, for action. Prior to submitting information to the appropriate disciplining authority, the health care authority may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an

amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the health care authority or initiated directly by an enrollee, the disciplining authority shall notify the health care authority of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a) (i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results;

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

(d) "Established relationship" means the provider providing audio-only telemedicine has access to sufficient health records to ensure safe, effective, and appropriate care services and:

(i) The covered person has had, within the past three years, at least one in-person appointment ((within the past year)), or at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the

provider providing audio-only telemedicine; or ~~((the))~~

(ii) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past three years, at least one in-person appointment, or at least one real-time interactive appointment using both audio and video technology, with the covered person ((within the past year)) and has provided relevant medical information to the provider providing audio-only telemedicine;

(e) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

(f) "Originating site" means the physical location of a patient receiving behavioral health services through telemedicine;

(g) "Provider" has the same meaning as in RCW 48.43.005;

(h) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical or behavioral health information from an originating site to the provider at a distant site which results in medical or behavioral health diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

(i) "Telemedicine" means the delivery of health care or behavioral health services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" includes audio-only telemedicine, but does not include facsimile or email.

~~((9) [(10)])) (10) The authority must adopt rules as necessary to implement the provisions of this section.~~

Sec. 4. RCW 74.09.325 and 2021 c 157 s 5 are each amended to read as follows:

(1) (a) Upon initiation or renewal of a contract with the Washington state health care authority to administer a medicaid managed care plan, a managed health care system shall reimburse a provider for a health care service provided to a covered person through telemedicine or store and forward technology if:

(i) The medicaid managed care plan in which the covered person is enrolled provides coverage of the health care service when provided in person by the provider;

(ii) The health care service is medically necessary;

(iii) The health care service is a service recognized as an essential health benefit under section 1302(b) of the federal patient protection and affordable care act in effect on January 1, 2015;

(iv) The health care service is determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards, and the technology used to provide the health care service meets the standards required by state and federal laws governing the privacy and security of protected health information; and

(v) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(b)(i) Except as provided in (b)(ii) of this subsection, upon initiation or renewal of a contract with the Washington state health care authority to administer a medicaid managed care plan, a managed health care system shall reimburse a provider for a health care service provided to a covered person through telemedicine the same amount of compensation the managed health care system would pay the provider if the health care service was provided in person by the provider.

(ii) Hospitals, hospital systems, telemedicine companies, and provider groups consisting of eleven or more providers may elect to negotiate an amount of compensation for telemedicine services that differs from the amount of compensation for in-person services.

(iii) For purposes of this subsection (1)(b), the number of providers in a provider group refers to all providers within the group, regardless of a provider's location.

(iv) A rural health clinic shall be reimbursed for audio-only telemedicine at the rural health clinic encounter rate.

(2) For purposes of this section, reimbursement of store and forward

technology is available only for those services specified in the negotiated agreement between the managed health care system and health care provider.

(3) An originating site for a telemedicine health care service subject to subsection (1) of this section includes a:

(a) Hospital;

(b) Rural health clinic;

(c) Federally qualified health center;

(d) Physician's or other health care provider's office;

(e) Licensed or certified behavioral health agency;

(f) Skilled nursing facility;

(g) Home or any location determined by the individual receiving the service; or

(h) Renal dialysis center, except an independent renal dialysis center.

(4) Except for subsection (3)(g) of this section, any originating site under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement for a facility fee must be subject to a negotiated agreement between the originating site and the managed health care system. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) A managed health care system may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) A managed health care system may subject coverage of a telemedicine or store and forward technology health service under subsection (1) of this section to all terms and conditions of the plan in which the covered person is enrolled including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable health care service provided in person.

(7) This section does not require a managed health care system to reimburse:

(a) An originating site for professional fees;

(b) A provider for a health care service that is not a covered benefit under the plan; or

(c) An originating site or health care provider when the site or provider is not a contracted provider under the plan.

(8) (a) If a provider intends to bill a patient or a managed health care system for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered and comply with all rules created by the authority related to restrictions on billing medicaid recipients. The authority may submit information on any potential violations of this subsection to the appropriate disciplining authority, as defined in RCW 18.130.020(~~(4)~~), or take contractual actions against the provider's agreement for participation in the medicaid program, or both.

(b) If the health care authority has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the health care authority may submit information to the appropriate disciplining authority for action. Prior to submitting information to the appropriate disciplining authority, the health care authority may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the health care authority or initiated directly by an enrollee, the disciplining authority shall notify the health care authority of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a) (i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication

between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results;

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

(d) "Established relationship" means the provider providing audio-only telemedicine has access to sufficient health records to ensure safe, effective, and appropriate care services and:

(i) For health care services included in the essential health benefits category of mental health and substance use disorder services, including behavioral health treatment:

(A) The covered person has had, within the past three years, at least one in-person appointment (~~(within the past year)~~), or at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the provider providing audio-only telemedicine; or ((the))

(B) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past three years, at least one in-person appointment, or at least one real-time interactive appointment using both audio and video technology, with the covered person (~~(within the past year)~~) and has provided relevant medical information to the provider providing audio-only telemedicine;

(ii) For any other health care service:

(A) The covered person has had, within the past two years, at least one in-person appointment, or, until January 1, 2024, at least one real-time interactive appointment using both audio and video technology, with the provider providing audio-only telemedicine or with a provider employed at the same medical group, at the same clinic, or by the same integrated delivery system operated by a carrier licensed under chapter 48.44 or 48.46 RCW as the provider providing audio-only telemedicine; or

(B) The covered person was referred to the provider providing audio-only telemedicine by another provider who has had, within the past two years, at least one in-person appointment, or, until January 1, 2024, at least one real-time interactive appointment using both audio and video technology, with the covered person and has provided relevant medical information to the provider providing audio-only telemedicine;

(e) "Health care service" has the same meaning as in RCW 48.43.005;

(f) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

(g) "Managed health care system" means any health care organization, including health care providers, insurers, health care service contractors, health maintenance organizations, health insuring organizations, or any combination thereof, that provides directly or by contract health care services covered under this chapter and rendered by licensed providers, on a prepaid capitated basis and that meets the requirements of section 1903(m) (1) (A) of Title XIX of the federal social security act or federal demonstration waivers granted under section 1115(a) of Title XI of the federal social security act;

(h) "Originating site" means the physical location of a patient receiving health care services through telemedicine;

(i) "Provider" has the same meaning as in RCW 48.43.005;

(j) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical information from an originating site to the health

care provider at a distant site which results in medical diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

(k) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" includes audio-only telemedicine, but does not include facsimile or email.

NEW SECTION. Sec. 5. 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. 6. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state."

On page 1, line 2 of the title, after "telemedicine;" strike the remainder of the title and insert "amending RCW 41.05.700, 48.43.735, and 74.09.325; reenacting and amending RCW 71.24.335; and creating a new section."

and the same is herewith transmitted.

Sarah Bannister, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Schmick and Riccelli spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1821, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1821, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Klippert and Ormsby.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

March 3, 2022

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1866 with the following amendment:

Strike everything after the enacting clause and insert the following:

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

(a) The epidemic of homelessness apparent in communities throughout Washington is creating immense suffering. It is threatening the health of homeless families and individuals, sapping their human potential, eroding public confidence, and undermining the shared values that have driven our state's prosperity, including public safety and access to public streets, parks, and facilities;

(b) In seeking to identify the causes of this epidemic, a large proportion of those unsheltered also suffer from serious behavioral health or physical

health conditions that will inevitably grow worse without timely and effective health care;

(c) Housing is an indispensable element of effective health care. Stable housing is a prerequisite to addressing behavioral health needs and lack of housing is a precursor to poor health outcomes;

(d) A home, health care, and wellness are fundamental for Washington residents;

(e) Reducing homelessness is a priority of the people of Washington state and that reducing homelessness through policy alignment and reform lessens fiscal impact to the state and improves the economic vitality of our businesses;

(f) The impact of this epidemic is falling most heavily on those communities that already suffer the most serious health disparities: Black, indigenous, people of color, and historically marginalized and underserved communities. It is a moral imperative to shelter chronically homeless populations; and

(g) Washington state has many of the tools needed to address this challenge, including a network of safety net health and behavioral health care providers in both urban and rural areas, an effective system of health care coverage through apple health, and excellent public and nonprofit affordable housing providers. Yet far too many homeless families and individuals are going without the housing and health care resources they need because these tools have yet to be combined in an effective way across the state.

(2) It is the intent of the legislature to treat chronic homelessness as a medical condition and that the apple health and homes act address the needs of chronically homeless populations by pairing a health care problem with a health care solution.

NEW SECTION. Sec. 2. A new section is added to chapter 74.09 RCW to read as follows:

The definitions in this section apply throughout sections 3 and 4 of this act unless the context clearly requires otherwise.

(1) "Community support services" means active search and promotion of access to,

and choice of, appropriate, safe, and affordable housing and ongoing supports to assure ongoing successful tenancy. The term includes, but is not limited to, services to medical assistance clients who are homeless or at risk of becoming homeless through outreach, engagement, and coordination of services with shelter and housing. The term includes benefits offered through the foundational community supports program established pursuant to the authority's federal waiver, entitled "medicaid transformation project," as amended and reauthorized.

(2) "Community support services provider" means a local entity that contracts with a coordinating entity to provide community support services. A community support services provider may also separately perform the functions of a housing provider.

(3) "Coordinating entity" means one or more organizations, including medicaid managed care organizations, under contract with the authority to coordinate community support services as required under sections 3 and 4 of this act. There may only be one coordinating entity per regional service area.

(4) "Department" means the department of commerce.

(5) "Homeless person" has the same meaning as in RCW 43.185C.010.

(6) "Housing provider" means a public or private organization that supplies permanent supportive housing units consistent with RCW 36.70A.030 to meet the housing needs of homeless persons. A housing provider may supply permanent supportive housing in a site-based or scattered site arrangement using a variety of public, private, philanthropic, or tenant-based sources of funds to cover operating costs or rent. A housing provider may also perform the functions of a community support services provider.

(7) "Office" means the office of apple health and homes created in section 5 of this act.

(8) "Program" means the apple health and homes program established in section 3 of this act.

(9) "Permanent supportive housing" has the same meaning as in RCW 36.70A.030.

NEW SECTION. **Sec. 3.** A new section is added to chapter 74.09 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the apple health and homes program is established to provide a permanent supportive housing benefit and a community support services benefit through a network of community support services providers for persons assessed with specific health needs and risk factors.

(a) The program shall operate through the collaboration of the department, the authority, the department of social and health services, local governments, the coordinating entity or entities, community support services providers, local housing providers, local health care entities, and community-based organizations in contact with potentially eligible individuals, to assure seamless integration of community support services, stable housing, and health care services.

(b) The entities operating the program shall coordinate resources, technical assistance, and capacity building efforts to help match eligible individuals with community support services, health care, including behavioral health care and long-term care services, and stable housing.

(2) To be eligible for community support services and permanent supportive housing under subsection (3) of this section, a person must:

(a) Be 18 years of age or older;

(b)(i) Be enrolled in a medical assistance program under this chapter and eligible for community support services;

(ii)(A) Have a countable income that is at or below 133 percent of the federal poverty level, adjusted for family size, and determined annually by the federal department of health and human services; and

(B) Not be eligible for categorically needy medical assistance, as defined in the social security Title XIX state plan; or

(iii) Be assessed as likely eligible for, but not yet enrolled in, a medical assistance program under this chapter due to the severity of behavioral health symptom acuity level which creates

barriers to accessing and receiving conventional services;

(c) Have been assessed:

(i) By a licensed behavioral health agency to have a behavioral health need which is defined as meeting one or both of the following criteria:

(A) Having mental health needs, including a need for improvement, stabilization, or prevention of deterioration of functioning resulting from the presence of a mental illness; or

(B) Having substance use disorder needs indicating the need for outpatient substance use disorder treatment which may be determined by an assessment using the American society of addiction medicine criteria or a similar assessment tool approved by the authority;

(ii) By the department of social and health services as needing either assistance with at least three activities of daily living or hands-on assistance with at least one activity of daily living and have the preliminary determination confirmed by the department of social and health services through an in-person assessment conducted by the department of social and health services; or

(iii) To be a homeless person with a long-continuing or indefinite physical condition requiring improvement, stabilization, or prevention of deterioration of functioning, including the ability to live independently without support; and

(d) Have at least one of the following risk factors:

(i) (A) Be a homeless person at the time of the eligibility determination for the program and have been homeless for 12 months prior to the eligibility determination; or

(B) Have been a homeless person on at least four separate occasions in the three years prior to the eligibility determination for the program, as long as the combined occasions equal at least 12 months;

(ii) Have a history of frequent or lengthy institutional contact, including contact at institutional care facilities such as jails, substance use disorder or mental health treatment facilities, hospitals, or skilled nursing facilities; or

(iii) Have a history of frequent stays at adult residential care facilities or residential treatment facilities.

(3) Once a coordinating entity verifies that a person has met the eligibility criteria established in subsection (2) of this section, it must connect the eligible person with a community support services provider. The community support services provider must:

(a) Deliver pretenancy support services to determine the person's specific housing needs and assist the person in identifying permanent supportive housing options that are appropriate and safe for the person;

(b) Fully incorporate the eligible person's available community support services into the case management services provided by the community support services provider; and

(c) Deliver ongoing tenancy-sustaining services to support the person in maintaining successful tenancy.

(4) Housing options offered to eligible participants may vary, subject to the availability of housing and funding.

(5) The community support services benefit must be sustained or renewed in accordance with the eligibility standards in subsection (2) of this section, except that the standards related to homelessness shall be replaced with an assessment of the person's likelihood to become homeless in the event that the community support services benefit is terminated. The coordinating entity must adopt procedures to conduct community support services benefit renewals, according to authority standards.

NEW SECTION. Sec. 4. A new section is added to chapter 74.09 RCW to read as follows:

(1) To establish and administer section 3 of this act, the authority shall:

(a) (i) Establish or amend a contract with a coordinating entity to:

(A) Assure the availability of access to eligibility determinations services for community support services benefits and permanent supportive housing benefits;

(B) Verify that persons meet the eligibility standards of section 3(2) of this act;

(C) Coordinate enrollment in medical assistance programs for persons who meet the eligibility standards of section 3(2) of this act, except for actual enrollment in a medical assistance program under this chapter; and

(D) Coordinate with a network of community support services providers to arrange with local housing providers for the placement of an eligible person in permanent supportive housing appropriate to the person's needs and assure that community support services are provided to the person by a community support services provider.

(ii) The primary role of the coordinating entity or entities is administrative and operational, while the authority shall establish the general policy parameters for the work of the coordinating entity or entities.

(iii) In selecting the coordinating entity or entities, the authority shall: Choose one or more organizations that are capable of coordinating access to both community support services and permanent supportive housing services to eligible persons under section 3 of this act; and select no more than one coordinating entity per region which is served by medicaid managed care organizations;

(b) Report to the office for the ongoing monitoring of the program; and

(c) Adopt any rules necessary to implement the program.

(2) The authority shall establish a work group to provide feedback to the agency on its foundational community supports program as it aligns with the work of the housing benefit. The work group may include representatives of state agencies, behavioral health administrative services organizations, the coordinating entity or entities, and contracted agencies providing foundational community supports services. Topics may include, but are not limited to, best practices in eligibility screening processes and case rate billing for foundational community supports housing, regional cost differentials, costs consistent with specialized needs, improved data access and data sharing with foundational community supports providers, and requirements related to the use of a common practice tool among

community support services providers to integrate social determinants of health into service delivery. The authority, in consultation with foundational community supports providers and their stakeholders, shall engage each region on case management tools and programs, evaluate effectiveness, and inform the appropriate committees of the legislature on the use of case management tools. Case management shall also be a regular item of engagement in the work group. The authority shall convene the work group at least once each quarter and may expand upon, but not duplicate, existing work groups or advisory councils at the authority or other state agencies.

(3) To support the goals of the program and the goals of other statewide initiatives to identify and address social needs, including efforts within the 1115 waiver renewal to advance health equity and health-related supports, the authority shall work with the office and the department of social and health services to research, identify, and implement statewide universal measures to identify and consider social determinants of health domains, including housing, food security, transportation, financial strain, and interpersonal safety. The authority shall select an accredited or nationally vetted tool, including criteria for prioritization, for the community support services provider to use when making determinations about housing options and other support services to offer individuals eligible for the program. This screening and prioritization process may not exclude clients transitioning from inpatient or other behavioral health residential treatment settings. The authority shall inform the governor and the appropriate committees of the legislature on progress to this end.

(4) (a) The authority and the department may seek and accept funds from private and federal sources to support the purposes of the program.

(b) The authority shall seek approval from the federal department of health and human services to:

(i) Receive federal matching funds for administrative costs and services provided under the program to persons enrolled in medicaid;

(ii) Align the eligibility and benefit standards of the foundational community

supports program established pursuant to the waiver, entitled "medicaid transformation project" and initially approved November 2017, between the authority and the federal centers for medicare and medicaid services, as amended and reauthorized, with the standards of the program, including extending the duration of the benefits under the foundational community supports program to not less than 12 months; and

(iii) Implement a medical and psychiatric respite care benefit for certain persons enrolled in medicaid.

(5)(a) By December 1, 2022, the authority and the office shall report to the governor and the legislature on preparedness for the first year of program implementation, including the estimated enrollment, estimated program costs, estimated supportive housing unit availability, funding availability for the program from all sources, efforts to improve billing and administrative burdens for foundational community supports providers, efforts to streamline continuity of care and system connection for persons who are potentially eligible for foundational community supports, and any statutory or budgetary needs to successfully implement the first year of the program.

(b) By December 1, 2023, the authority and the office shall report to the governor and the legislature on the progress of the first year of program implementation and preparedness for the second year of program implementation.

(c) By December 1, 2024, the authority and the office shall report to the governor and the legislature on the progress of the first two years of program implementation and preparedness for ongoing housing acquisition and development.

(d) By December 1, 2026, the authority and the office shall report to the governor and the legislature on the full implementation of the program, including the number of persons served by the program, available permanent supportive housing units, estimated unmet demand for the program, ongoing funding requirements for the program, and funding availability for the program from all sources. Beginning December 1, 2027, the authority and the office shall provide annual updates to the governor and the legislature on the status of the program.

NEW SECTION. **Sec. 5.** A new section is added to chapter 43.330 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, there is created the office of apple health and homes within the department.

(2) Activities of the office of apple health and homes must be carried out by a director of the office of apple health and homes, supervised by the director of the department or their designee.

(3) The office of apple health and homes is responsible for leading efforts under this section and coordinating a spectrum of practice efforts related to providing permanent supportive housing, including leading efforts related to every aspect of creating housing, operating housing, obtaining services, and delivering those services to connect people with housing and maintain them in that housing.

(4) The office of apple health and homes shall:

(a) Subject to available funding, allocate funding for permanent supportive housing units sufficient in number to fulfill permanent supportive housing needs of persons determined to be eligible for the program by the coordinating entity or entities under section 3 of this act;

(b) Collaborate with department divisions responsible for making awards or loans to appropriate housing providers to acquire, build, and operate the housing units, including but not limited to nonprofit community organizations, local counties and cities, public housing authorities, and public development authorities;

(c) Collaborate with the authority on administrative functions, oversight, and reporting requirements, as necessary to implement the apple health and homes program established under section 3 of this act;

(d) Establish metrics and collect racially disaggregated data from the authority and the department related to the program's effect on providing persons with permanent supportive housing, moving people into independent housing, long-term housing stability, improving health outcomes for people in the program, estimated reduced health care

spending to the state on persons enrolled in the program, and outcomes related to social determinants of health;

(e) Develop a publicly accessible dashboard to make key program outcomes available to the public. Key program outcomes include, but are not limited to, the number of people served by the program and the number of housing units created by the office;

(f) Create work plans and establish milestones to achieve the goal of providing permanent supportive housing for all eligible individuals; and

(g) Oversee the allocation of community support services provider and housing provider capacity-building grants to further the state's interests of enhancing the ability of community support services providers and housing providers to deliver community support services and permanent supportive housing and assure that an initial infrastructure is established to create strong networks of community support services providers and housing providers.

(5) The office of apple health and homes must be operational no later than January 1, 2023. The department shall assure the coordination of the work of the office of apple health and homes with other offices within the department with similar or adjacent authorities and functions.

(6) For the purposes of this section:

(a) "Community support services provider" has the same meaning as in section 2 of this act.

(b) "Coordinating entity" has the same meaning as in section 2 of this act.

(c) "Housing provider" has the same meaning as in section 2 of this act.

(d) "Permanent supportive housing" has the same meaning as in section 2 of this act.

NEW SECTION. Sec. 6. A new section is added to chapter 43.330 RCW to read as follows:

The apple health and homes account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for permanent supportive housing programs administered by the office created in section 5 of this act, including acquisition and

development of permanent supportive housing units, operations, maintenance, and services costs of permanent supportive housing units, project-based vouchers, provider grants, and other purposes authorized by appropriations made in the operating budget. The department must prioritize allocating at least 10 percent of the expenditures from the account to organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness and behavioral health conditions, including black, indigenous, and other people of color, lesbian, gay, bisexual, queer, transgender, and other gender diverse individuals. When selecting projects supported by funds from the account, the office shall balance the state's interest in quickly approving and financing projects, the degree to which the project will leverage other funds, the extent to which the project promotes racial equity, and the extent to which the project will promote priorities of this act on a statewide basis, including in rural areas and in geographically diverse parts of the state.

Sec. 7. RCW 36.22.176 and 2021 c 214 s 1 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, a surcharge of \$100 must be charged by the county auditor for each document recorded, which is in addition to any other charge or surcharge allowed by law. The auditor must remit the funds to the state treasurer to be deposited and used as follows:

(a) Twenty percent of funds must be deposited in the affordable housing for all account for operations, maintenance, and service costs for permanent supportive housing as defined in RCW 36.70A.030;

(b) From July 1, 2021, through June 30, 2023, four percent of the funds must be deposited into the landlord mitigation program account created in RCW 43.31.615 for the purposes of RCW 43.31.605(1). Thereafter, two percent of funds must be deposited into the landlord mitigation program account created in RCW 43.31.615 for purposes of RCW 43.31.605(1); ~~(and)~~

(c) (i) The remainder of funds must be distributed to the home security fund account, with no less than 60 percent of funds to be used for project-based vouchers for nonprofit housing providers or public housing authorities, housing

services, rapid rehousing, emergency housing, ~~((=))~~ acquisition, or operations, maintenance, and service costs for permanent supportive housing as defined in RCW 36.70A.030 for persons with disabilities. Permanent supportive housing programs administered by the office of apple health and homes created in section 5 of this act are also eligible to use these funds. Priority for use must be given to ((project based vouchers and related services, housing acquisition, or emergency housing, for)) purposes intended to house persons who are chronically homeless or maintain housing for individuals with disabilities and prior experiences of homelessness, including families with children. ((At least 50 percent of persons receiving a project based voucher, rapid rehousing, emergency housing, or benefiting from housing acquisition must be living unsheltered at the time of initial engagement.)) In addition, funds may be used for eviction prevention rental assistance pursuant to RCW 43.185C.185, foreclosure prevention services, dispute resolution center eviction prevention services, rental assistance for people experiencing homelessness, and tenant education and legal assistance.

(ii) The department shall provide counties with the right of first refusal to receive grant funds distributed under this subsection (c). If a county refuses the funds or does not respond within a time frame established by the department, the department shall identify an alternative grantee. The alternative grantee shall distribute the funds in a manner that is in compliance with this chapter.

(2) The surcharge imposed in this section does not apply to: (a) Assignments or substitutions of previously recorded deeds of trust; (b) documents recording a birth, marriage, divorce, or death; (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law; (d) marriage licenses issued by the county auditor; or (e) documents recording a federal, state, county, city, or water-sewer district, or wage lien or satisfaction of lien.

NEW SECTION. Sec. 8. Subject to amounts appropriated from the apple health and homes account created in section 6 of this act the department of commerce shall establish a rapid

permanent supportive housing acquisition and development program to issue competitive financial assistance to eligible organizations under RCW 43.185A.040 and to public development authorities established under RCW 35.21.730 through 35.21.755, for the acquisition or the construction of permanent supportive housing units, subject to the following conditions and limitations:

(1) Awards or loans provided under this section may be used to construct permanent supportive housing units or to acquire real property for quick conversion into permanent supportive housing units which may include predevelopment or development activities, renovation, and building update costs. Awards or loans provided under this section may not be used for operating or maintenance costs associated with providing permanent supportive housing, supportive services, or debt service.

(2) Projects acquired or constructed under this section must serve individuals eligible for a community support services benefit through the apple health and homes program, as established in section 3 of this act.

(3) The department of commerce shall establish criteria for the issuance of the awards or loans, including but not limited to:

(a) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(b) A detailed estimate of the costs associated with the construction or acquisition and any updates or improvements necessary to make the property habitable for its intended use;

(c) A detailed estimate of the costs associated with opening the units; and

(d) A financial plan demonstrating the ability to maintain and operate the property and support its intended tenants through the end of the award or loan contract.

(4) The department of commerce shall provide a progress report on its website by June 1, 2023. The report must include:

(a) The total number of applications and amount of funding requested; and

(b) A list and description of the projects approved for funding including state funding, total project cost, number of units, and anticipated completion date.

(5)(a) The funding in this section shall be allocated on an ongoing basis until all funds are expended. The department of commerce shall dispense funds to qualifying applicants within 45 days of receipt of documentation from the applicant for qualifying uses and execution of any necessary contracts with the department in order to effect the purpose of rapid deployment of funds under this section.

(b) The department of commerce shall ensure that proposals that reach the greatest public benefit, as defined by the department, are prioritized. For the purposes of this subsection, "greatest public benefit" must include, but is not limited to:

(i) The greatest number of qualifying permanent supportive housing units created by the state investment, determined by comparing simultaneous applications for funding from the same geographic region; and

(ii) Equitable geographic distribution, to the extent possible, relative to need, as determined by the establishment of regional targets.

NEW SECTION. **Sec. 9.** A new section is added to chapter 44.28 RCW to read as follows:

The joint committee must review the efficacy of the apple health and homes program established by this act and report its findings to the appropriate committees of the legislature by December 1, 2027. The review must include a recommendation on whether this program should be continued without change or should be amended or repealed.

NEW SECTION. **Sec. 10.** This act may be known and cited as the apple health and homes act."

On page 1, line 3 of the title, after "housing;" strike the remainder of the title and insert "amending RCW 36.22.176; adding new sections to chapter 74.09 RCW; adding new sections to chapter 43.330 RCW; adding a new section to chapter 44.28 RCW; and creating new sections."

and the same is herewith transmitted.

Sarah Bannister, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1866 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Chopp and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1866, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1866, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 87; Nays, 9; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chapman, Chase, Chopp, Cody, Davis, Dent, Dolan, Donaghy, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Kloba, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McEntire, Morgan, Mosbrucker, Orcutt, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Chandler, Corry, Dufault, Graham, Kraft, McCaslin, Sutherland, Vick and Young.

Excused: Representatives Klippert and Ormsby.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1866, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following bills:

ENGROSSED SECOND SUBSTITUTE HOUSE
BILL NO. 1015
ENGROSSED SECOND SUBSTITUTE HOUSE
BILL NO. 1153
SUBSTITUTE HOUSE BILL NO. 1389
HOUSE BILL NO. 1430
SUBSTITUTE HOUSE BILL NO. 1590
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1643

SUBSTITUTE HOUSE BILL NO. 1655
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1673
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1691
 HOUSE BILL NO. 1748
 SECOND SUBSTITUTE HOUSE BILL NO. 1751
 HOUSE BILL NO. 1785
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1799
 SUBSTITUTE HOUSE BILL NO. 1800
 HOUSE BILL NO. 1805
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1815
 SECOND SUBSTITUTE HOUSE BILL NO. 1835
 HOUSE BILL NO. 1859
 SECOND SUBSTITUTE HOUSE BILL NO. 1860
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1881
 SUBSTITUTE HOUSE BILL NO. 1901
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1956
 HOUSE BILL NO. 2024
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 2075
 SECOND SUBSTITUTE HOUSE BILL NO. 2078
 SECOND SUBSTITUTE SENATE BILL NO. 5664
 SENATE BILL NO. 5687
 SECOND SUBSTITUTE SENATE BILL NO. 5695
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5702
 SENATE BILL NO. 5713
 SECOND SUBSTITUTE SENATE BILL NO. 5720
 SUBSTITUTE SENATE BILL NO. 5729
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5761
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5764
 SENATE BILL NO. 5788
 SECOND SUBSTITUTE SENATE BILL NO. 5789
 SUBSTITUTE SENATE BILL NO. 5790
 SECOND SUBSTITUTE SENATE BILL NO. 5793

The Speaker called upon Representative Orwall to preside.

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

MESSAGES FROM THE SENATE

March 9, 2022

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bill and passed the bill as amended by the House:

SUBSTITUTE SENATE BILL NO. 5741,

and the same is herewith transmitted.

Sarah Bannister, Secretary

March 9, 2022

Mme. SPEAKER:

The President has signed:

SENATE BILL NO. 5002,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5245,
 SUBSTITUTE SENATE BILL NO. 5376,
 SUBSTITUTE SENATE BILL NO. 5528,
 SENATE BILL NO. 5529,
 SECOND SUBSTITUTE SENATE BILL NO. 5532,
 SUBSTITUTE SENATE BILL NO. 5555,
 SENATE BILL NO. 5566,
 SENATE BILL NO. 5585,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5600,
 SUBSTITUTE SENATE BILL NO. 5610,
 SENATE BILL NO. 5612,
 SECOND SUBSTITUTE SENATE BILL NO. 5619,
 SUBSTITUTE SENATE BILL NO. 5644,
 SECOND SUBSTITUTE SENATE BILL NO. 5649,
 SUBSTITUTE SENATE BILL NO. 5651,
 SENATE BILL NO. 5657,
 SUBSTITUTE SENATE BILL NO. 5722,
 SUBSTITUTE SENATE BILL NO. 5728,
 SUBSTITUTE SENATE BILL NO. 5910,

and the same are herewith transmitted.

Sarah Bannister, Secretary

March 9, 2022

Mme. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL NO. 5085,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5268,
 SENATE BILL NO. 5498,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5544,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5628,
 SENATE BILL NO. 5634,
 SUBSTITUTE SENATE BILL NO. 5749,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5796,
 SUBSTITUTE SENATE BILL NO. 5810,
 SUBSTITUTE SENATE BILL NO. 5818,
 SUBSTITUTE SENATE BILL NO. 5819,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5842,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5847,
 SENATE BILL NO. 5855,
 SENATE BILL NO. 5868,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5878,
 SUBSTITUTE SENATE BILL NO. 5883,
 SENATE BILL NO. 5898,
 SENATE BILL NO. 5929,
 SUBSTITUTE SENATE BILL NO. 5961,

and the same are herewith transmitted.

Sarah Bannister, Secretary

The Speaker assumed the chair.

RESOLUTION

HOUSE RESOLUTION NO. 2022-4669, by Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Jenkins, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, and Young

WHEREAS, Representative Laurie Dolan was elected to the House of Representatives in 2016 to represent the 22nd Legislative District and has served the people of Washington with grace and fortitude; and

WHEREAS, Prior to being elected to office, she served as a long-time educator and leader in Spokane Public Schools and as the Policy Director for former Washington State Governor, Chris Gregoire; and

WHEREAS, Her years of service as an educator and dedication to public education led her to sponsor enrollment stabilization during the COVID-19 pandemic to ensure our schools remained funded at prepandemic enrollment levels; and

WHEREAS, Representative Dolan worked closely with the Office of the Superintendent of Public Instruction and the League of Women Voters to add civics education as a mandatory high school graduation requirement; and

WHEREAS, She established "Regional School Safety Centers" across the state in all nine educational service districts, staffed by experts to train school staff with the tools needed to recognize when a student may be a danger to him or herself or to others and ensure they receive the help needed; and

WHEREAS, She led efforts to train our School Resource Officers to improve their skill set and understanding of working with diverse student populations; and

WHEREAS, As a two-time cancer survivor and while currently fighting multiple myeloma, Representative Dolan pushed for changes in our health care system and voted for the expansion of affordable, accessible health care for all Washingtonians; and

WHEREAS, Representative Dolan is known and valued by her legislative colleagues for her hard work, commitment, and service-minded leadership for the people of the 22nd district and Washington state; and

WHEREAS, She worked tirelessly for our students, our hard-working state employees, and for improvements to K-12 education in Washington;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives acknowledge Representative Laurie Dolan's service to this institution and to our democracy.

Representatives Bateman, Harris, Riccelli, Rude and Stonier spoke in favor of the adoption of the resolution.

SPEAKER'S PRIVILEGE

The Speaker recognized Representative Dolan's legislative career and wished her well on her retirement.

With the consent of the House, HOUSE RESOLUTION NO. 4669 was adopted.

SIGNED BY THE SPEAKER

The Speaker signed the following bills:

SENATE BILL NO. 5002
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5245
 SUBSTITUTE SENATE BILL NO. 5376
 SUBSTITUTE SENATE BILL NO. 5528
 SENATE BILL NO. 5529
 SECOND SUBSTITUTE SENATE BILL NO. 5532
 SUBSTITUTE SENATE BILL NO. 5555
 SENATE BILL NO. 5566
 SENATE BILL NO. 5585
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5600
 SUBSTITUTE SENATE BILL NO. 5610
 SENATE BILL NO. 5612
 SECOND SUBSTITUTE SENATE BILL NO. 5619
 SUBSTITUTE SENATE BILL NO. 5644
 SECOND SUBSTITUTE SENATE BILL NO. 5649
 SUBSTITUTE SENATE BILL NO. 5651
 SENATE BILL NO. 5657
 SUBSTITUTE SENATE BILL NO. 5722
 SUBSTITUTE SENATE BILL NO. 5728
 SUBSTITUTE SENATE BILL NO. 5910
 SECOND SUBSTITUTE SENATE BILL NO. 5085
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5268
 SENATE BILL NO. 5498
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5544
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5628
 SENATE BILL NO. 5634
 SUBSTITUTE SENATE BILL NO. 5749
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5796
 SUBSTITUTE SENATE BILL NO. 5810
 SUBSTITUTE SENATE BILL NO. 5819
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5842
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5847
 SENATE BILL NO. 5855
 SENATE BILL NO. 5868

ENGROSSED SUBSTITUTE SENATE BILL NO.
5878
SUBSTITUTE SENATE BILL NO. 5883
SENATE BILL NO. 5898
SENATE BILL NO. 5929
SUBSTITUTE SENATE BILL NO. 5961

The Speaker called upon Representative Orwall to preside.

MESSAGE FROM THE SENATE

March 9, 2022

Mme. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1530,
and the same is herewith transmitted.

Sarah Bannister, Secretary

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

SECOND READING

SUBSTITUTE SENATE BILL NO. 5799, by Senate Committee on Business, Financial Services & Trade (originally sponsored by Robinson and Lovick)

Modifying the application of the workforce education investment surcharge to provider clinics and affiliated organizations. Revised for 1st Substitute: Modifying the application of the workforce education investment advanced computing surcharge to provider clinics and affiliated organizations.

The bill was read the second time.

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

Representative Berg spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5799.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5799, and the bill passed the House by the following vote: Yeas, 66; Nays, 31; Absent, 0; Excused, 1.

Voting yea: Representatives Barkis, Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Dye, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Hoff, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, MacEwen, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Walen, Wicks, Wylie, Young and Mme. Speaker.

Voting nay: Representatives Abbarno, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Eslick, Gilday, Goehner, Graham, Harris, Jacobsen, Klicker, Kraft, Kretz, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Steele, Sutherland, Volz, Walsh, Wilcox and Ybarra.

Excused: Representative Klippert.

SUBSTITUTE SENATE BILL NO. 5799, having received the necessary constitutional majority, was declared passed.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5755, by Senate Committee on Ways & Means (originally sponsored by Trudeau, Billig, Nobles, Saldaña and Wellman)

Authorizing certain cities to establish a limited sales and use tax incentive program to encourage redevelopment of vacant lands in urban areas. Revised for 2nd Substitute: Authorizing certain cities to establish a limited sales and use tax incentive program to encourage redevelopment of underdeveloped lands in urban areas.

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Finance was adopted. (For Committee amendment, see Journal, Day 59, March 9, 2022).

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 Harris-Talley spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 5755, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5755, as

amended by the House, and the bill passed the House by the following vote: Yeas, 66; Nays, 31; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Bateman, Berg, Bergquist, Berry, Bronoske, Caldier, Callan, Chambers, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Kloba, Kraft, Leavitt, Lekanoff, Macri, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Barkis, Boehnke, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Klicker, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Orcutt, Robertson, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Klippert.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5755, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SENATE BILL NO. 5901, by Senators Randall, Billig, Holy, Mullet, Nguyen and Saldaña

Concerning economic development tax incentives for targeted counties.

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Finance was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 58, March 8, 2022).

Representative Orcutt moved the adoption of amendment (1377) to the committee striking amendment:

On page 10, beginning on line 29 of the striking amendment, after "equipment." strike all material through "\$400,000." on line 31

On page 12, beginning on line 11 of the striking amendment, after "equipment." strike all material through "\$400,000." on line 14

Representative Orcutt spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Frame spoke against the adoption of the amendment to the committee striking amendment.

Amendment (1377) to the committee striking amendment was not adopted.

The committee striking amendment was adopted.

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

Representative Frame spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5901, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5901, and the bill passed the House by the following vote: Yeas, 69; Nays, 28; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Caldier, Callan, Chapman, Chopp, Cody, Davis, Dent, Dolan, Donaghy, Duerr, Dye, Entenman, Fey, Fitzgibbon, Frame, Goodman, Graham, Gregerson, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Klicker, Kloba, Leavitt, Lekanoff, Macri, Maycumber, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Volz, Walen, Wicks, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Chambers, Chandler, Chase, Corry, Dufault, Eslick, Gilday, Goehner, Griffey, Hoff, Jacobsen, Kraft, Kretz, MacEwen, McCaslin, McEntire, Orcutt, Robertson, Steele, Stokesbary, Sutherland, Vick, Walsh, Wilcox and Young.

Excused: Representative Klippert.

ENGROSSED SENATE BILL NO. 5901, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SENATE BILL NO. 5849, by Senator Warnick

Concerning tax incentives.

The bill was read the second time.

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

Representatives Orcutt, Ramel and Dent spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5849.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5849, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Kloba, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representative Kraft.

Excused: Representative Klippert.

ENGROSSED SENATE BILL NO. 5849, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5980, by Senate Committee on Ways & Means (originally sponsored by Carlyle, Randall, Hunt, Kuderer and Mullet)

Providing substantial and permanent tax relief for small businesses to mitigate structural deficiencies in Washington's business and occupation tax and lessen long-term negative economic consequences of the pandemic that have disproportionately impacted small businesses. (REVISED FOR ENGROSSED: Providing substantial tax relief for small businesses to mitigate structural deficiencies in Washington's business and occupation tax and lessen long-term negative economic consequences of the pandemic that have disproportionately impacted small businesses.) Revised for 1st Substitute: Providing substantial and permanent tax relief for small businesses to mitigate structural deficiencies in Washington's business and occupation tax and lessen long-term negative economic consequences of the pandemic t

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Finance was adopted. (For Committee amendment, see Journal, Day 58, March 8, 2022).

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 Paul, Orcutt and Rule spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5980, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5980, as amended by the House, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative Klippert.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5980, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5714, by Senate Committee on Environment, Energy & Technology (originally sponsored by Carlyle, Liias, Gildon, Lovelett, Mullet, Nguyen and Rolfes)

Creating a sales and use tax deferral program for solar canopies placed on large-scale commercial parking lots and other similar areas.

The bill was read the second time.

Representative Orcutt moved the adoption of amendment (1376):

On page 5, line 3, after "receive a" insert "100 hundred percent"

On page 5, beginning on line 4, after "this act" strike all material through "faith efforts" on page 6, line 23

Representative Orcutt spoke in favor of the adoption of the amendment.

Representative Berg spoke against the adoption of the amendment.

Amendment (1376) was not adopted.

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

Representative Ramel spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5714.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5714, and the bill passed the House by the following vote: Yeas, 57; Nays, 40; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Klippert.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5714, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5531, by Senate Committee on Ways & Means (originally sponsored by Pedersen, Wilson, L. and Mullet)

Concerning the revised uniform unclaimed property act.

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Finance was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 48, February 26, 2022).

Representative Stokesbary moved the adoption of amendment (1236) to the committee striking amendment:

On page 2, line 25, after "(10)" insert ""Financial organization loyalty

program" means a record given without direct monetary consideration under an award, reward, benefit, loyalty, incentive, rebate, or other promotional program established by a financial organization for the purposes of rewarding a relationship with a sponsoring entity.

(a) "Direct monetary consideration" does not include an annual or periodic fee charged for joining any such award, reward, loyalty, rebate, or promotional program.

(b) "Financial organization loyalty program" includes both a physical and an electronic record.

(c) An award, reward, benefit, loyalty, incentive, rebate, or promotional program is not excluded from the definition of "financial organization loyalty program" because the record is redeemable for money or cash or is otherwise monetized by the issuer.

(11) "

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

On page 5, line 28, after "(iv)" insert "A financial organization loyalty program;

(v) "

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

On page 7, line 4, after "gift certificate," insert "financial organization loyalty program,"

On page 7, line 20, after "content;" strike "or"

On page 7, line 21, after "(c)" insert "A financial organization loyalty program; or

(d) "

Correct any internal references accordingly.

Representative Stokesbary spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Frame spoke against the adoption of the amendment to the committee striking amendment.

Amendment (1236) to the committee striking amendment was not adopted.

Representative Stokesbary moved the adoption of amendment (1235) to the committee striking amendment:

On page 5, line 29, after "merchandise;" strike "and"

On page 5, line 30, after "(vi)" insert "Property due or owing from a business association to another business association, including without limitation accounts receivable credit balances; and

(vii)"

Correct any internal references accordingly.

Representatives Stokesbary and Orcutt spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Frame spoke against the adoption of the amendment to the committee striking amendment.

Amendment (1235) to the committee striking amendment was not adopted.

Representative Stokesbary moved the adoption of amendment (1237) to the committee striking amendment:

On page 9, line 13, after "card," strike "one year" and insert "three years"

Representatives Stokesbary and Orcutt spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Frame spoke against the adoption of the amendment to the committee striking amendment.

Amendment (1237) to the committee striking amendment was not adopted.

The committee amendment was adopted.

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

Representative Frame spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of

Engrossed Substitute Senate Bill No. 5531, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5531, and the bill passed the House by the following vote: Yeas, 60; Nays, 37; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Donaghy, Duerr, Dufault, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Volz, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Stokesbary, Sutherland, Vick, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Klippert.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5531, as amended by the House, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1924, by Representatives Tharinger, Chapman and Fey

Changing the expiration date for the sales and use tax exemption of hog fuel to comply with the 2045 deadline for fossil fuel-free electrical generation in Washington state and to protect jobs with health care and retirement benefits in economically distressed communities.

The bill was read the second time.

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

Representatives Tharinger and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1924.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1924, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody,

Corry, Davis, Dent, Dolan, Donaghy, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Kloba, Kraft, Kretz, Leavitt, Lekanoff, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative Klippert.

HOUSE BILL NO. 1924, having received the necessary constitutional majority, was declared passed.

With the consent of the House, HOUSE BILL NO. 1924 was immediately transmitted to the Senate.

There being no objection, the House adjourned until 11:00 a.m., March 10, 2022, the 60th Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

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