#### TWENTY FIRST DAY

#### MORNING SESSION

Senate Chamber, Olympia, Monday, May 16, 2011

The Senate was called to order at 10:00 a.m. by the President Pro Tempore. The Secretary called the roll and announced to the President Pro Tempore that all Senators were present with the exception of Senators Eide, Kline, Kohl-Welles, Murray, Roach, Sheldon, Shin and Swecker.

The Sergeant at Arms Color Guard consisting of Senator Joe Fain and Senator Andy Hill, presented the Colors. Senator Fraser offered the prayer.

The President assumed the chair.

#### MOTION

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

## **MOTION**

On motion of Senator Rockefeller, the Senate advanced to the third order of business.

# MESSAGE FROM THE GOVERNOR GUBERNATORIAL APPOINTMENTS

April 13, 2011

TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

I have the honor to submit the following appointment, subject to your confirmation.

LEE NEWGENT, appointed April 13, 2011, for the term ending June 30, 2013, as Member of the Work Force Training and Education Coordinating Board.

Sincerely,

CHRISTINE O. GREGOIRE, Governor

Referred to Committee on Higher Education & Workforce Development.

## **MOTION**

On motion of Senator Rockefeller, the appointee listed on the Gubernatorial Appointment report was referred to the committee as designated.

## MOTION

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

#### MESSAGE FROM THE HOUSE

May 13, 2011

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE HOUSE BILL 2082, ENGROSSED SUBSTITUTE HOUSE BILL 2115. and the same are herewith transmitted. BARBARA BAKER, Chief Clerk

#### MESSAGE FROM THE HOUSE

May 13, 2011

MR. PRESIDENT:

The House has passed:

SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1224,

ENGROSSED SUBSTITUTE HOUSE BILL 1354, ENGROSSED SUBSTITUTE HOUSE BILL 1449, SECOND ENGROSSED SUBSTITUTE HOUSE BILL

1701, HOUSE BILL 2111.

and the same are herewith transmitted.

#### BARBARA BAKER, Chief Clerk

#### **MOTION**

On motion of Senator Rockefeller, the Senate advanced to the fifth order of business.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

<u>2ESHB 1224</u> by House Committee on Ways & Means (originally sponsored by Representatives Green, Dammeier, Cody, Appleton, Darneille, Harris and Roberts)

AN ACT Relating to a business and occupation tax deduction for amounts received with respect to mental health services; amending RCW 82.04.4297 and 82.04.431; adding a new section to chapter 82.04 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Ways & Means.

ESHB 1354 by House Committee on Ways & Means (originally sponsored by Representatives Hunt, Haigh, Hunter and Darneille)

AN ACT Relating to apportionments to educational service districts and school districts for the 2010-11 school year; amending RCW 28A.510.250; and declaring an emergency.

Referred to Committee on Ways & Means.

ESHB 1449 by House Committee on Education Appropriations & Oversight (originally sponsored by Representatives Hunter, Haigh, Anderson, Maxwell, Sullivan and Dammeier)

AN ACT Relating to establishing a processing fee for educator certificates and subsequent actions; adding a new section to chapter 28A.410 RCW; providing an effective date; and declaring an emergency.

Referred to Committee on Ways & Means.

<u>2ESHB 1701</u> by House Committee on Labor & Workforce Development (originally sponsored by Representatives Ormsby, Green, Sells, Kenney, Van De Wege, Hasegawa, Hudgins,

Moeller, Miloscia, Sullivan, Upthegrove, Pettigrew, Seaquist, Hunter and Frockt)

AN ACT Relating to the underground economy by addressing the loss in state revenue through misclassification of workers as independent contractors in the construction industry; amending 2009 c 432 s 13 (uncodified); adding new sections to chapter 18.27 RCW; creating a new section; and prescribing penalties.

Referred to Committee on Labor, Commerce & Consumer Protection.

ESHB 2082 by House Committee on Ways & Means (originally sponsored by Representatives Darneille, Goodman, Dickerson, Roberts, Pettigrew, Appleton, Ryu, Fitzgibbon, Finn, Orwall, Ormsby, Ladenburg, Kenney and Moscoso)

AN ACT Relating to reforming the disability lifeline program through essential needs and housing support for persons not likely to meet federal supplemental security income disability standards, continued aid and support for other disability lifeline recipients, and modification of the disability lifeline medical care services needed to receive federal funding; amending RCW 74.09.035, 74.04.005, 74.09.510, 74.50.055, 70.96A.530, 10.101.010, 26.19.071, 31.04.540, 70.123.110, 73.08.005, 74.04.0052, 74.04.225, 74.04.230, 74.04.266, 74.04.620, 74.04.652, 74.04.655, 74.04.657, 74.04.770, 74.08.043, 74.08.278, 74.08.335, 74.08A.210, 74.08A.440, 74.09.555, and 74.50.060; reenacting and amending RCW 13.34.030; adding new sections to chapter 43.185C RCW; adding a new chapter to Title 74 RCW; creating a new section; repealing RCW 43.330.175, 74.04.120, and 74.04.810; providing effective dates; providing an expiration date; and declaring an emergency.

Referred to Committee on Ways & Means.

HB 2111 by Representatives Maxwell, Anderson, Sullivan, Dammeier, Orwall, Lytton, Frockt, Probst, Finn, Moscoso, Seaquist, Sells, Goodman, Reykdal, Hunt, Wilcox, Dahlquist, Fagan, Haigh, Santos, Pettigrew, Carlyle, Van De Wege, Moeller, Ladenburg, McCoy, Jinkins, Billig, Pedersen, Fitzgibbon, Wylie and Kenney

AN Relating to implementing recommendations from the 2011 report of the quality council; amending RCW education 28A.150.260, 28A.657.050, 28A.165.015, 28A.165.015, 28A.165.025, 28A.320.190, 28A.180.090, 28A.185.020, 28A.185.030, 28C.18.162, 28A.660.042, 28A.660.050, 28A.660.040, and 28A.400.201; adding new sections to chapter 28A.655 RCW; adding a new section to chapter 28A.230 RCW; adding a new section to chapter 28A.185 RCW; creating new sections; providing an effective date; and providing an expiration date.

Referred to Committee on Ways & Means.

ESHB 2115 by House Committee on Education (originally sponsored by Representatives Haigh and Dammeier)

AN ACT Relating to legislative review of performance standards for the statewide student assessment; amending RCW 28A.305.130; and declaring an emergency.

On motion of Senator Rockefeller, all measures listed on the Introduction and First Reading report were referred to the committees as designated with the exception of Second Engrossed Substitute House Bill No. 1701 which was held at the desk and Second Engrossed Substitute House Bill No. 1224 and Engrossed Substitute House Bill No. 2115 which were placed on the second reading calendar under suspension of the rules.

#### **MOTION**

At 10:28 a.m., on motion of Senator Rockefeller, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 11:58 a.m. by President Owen.

## **MOTION**

On motion of Senator Rockefeller, the Senate reverted to the fourth order of business.

#### MESSAGE FROM THE HOUSE

May 10, 2011

#### MR. PRESIDENT:

The House passed SECOND ENGROSSED SENATE BILL NO. 5773 with the following amendment(s): 5773.E2 AMH LIIA PRIN 360; 5773.E2 AMH CODY PRIN 356

On page 6, line 9, after "(6)" insert "(a)"

On page 6, after line 14, insert the following:

- "(b) By November 30, 2015, and each year thereafter, the authority shall submit a report to the relevant legislative policy and fiscal committees that includes the following:
- (i) Public employee benefits board health plan cost and service utilization trends for the previous three years, in total and for each health plan offered to employees;
- (ii) For each health plan offered to employees, the number and percentage of employees and dependents enrolled in the plan, and the age and gender demographics of enrollees in each plan;
- (iii) Any impact of enrollment in alternatives to the most comprehensive plan, including the high deductible health plan with a health savings account, upon the cost of health benefits for those employees who have chosen to remain enrolled in the most comprehensive plan."

On page 8, beginning on line 19, strike all of sections 2 and 3 and insert the following:

"NEW SECTION. Sec. 2. A new section is added to chapter 41.05 RCW to read as follows:

- (1) The Washington state health care authority shall develop a plan to incorporate direct patient-provider primary care practices as provided in chapter 48.150 RCW into one or more of the choices of health benefit programs made available to participants in the public employees' benefits board system beginning no later than the open enrollment period beginning November 1, 2012.
- (2) The plan will be developed in consultation with the board and interested parties, will identify statutory barriers to implementation, and will include proposed legislation to address those barriers and implement the plan. The plan will be submitted to the board and to the House and Senate health care committees by December 1, 2011."

Renumber the remaining sections and correct the title. and the same are herewith transmitted.

## TWENTY FIRST DAY, MAY 16, 2011 MOTION

Senator Kilmer moved that the Senate concur in the House amendment(s) to Second Engrossed Senate Bill No. 5773.

Senator Kilmer spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Kilmer that the Senate concur in the House amendment(s) to Second Engrossed Senate Bill No. 5773.

The motion by Senator Kilmer carried and the Senate concurred in the House amendment(s) to Second Engrossed Senate Bill No. 5773 by voice vote.

#### MOTION

On motion of Senator White, Senators Eide, Kohl-Welles and Shin were excused.

#### MOTION

On motion of Senator Ericksen, Senators Roach and Swecker were excused.

The President declared the question before the Senate to be the final passage of Second Engrossed Senate Bill No. 5773, as amended by the House.

## ROLL CALL

The Secretary called the roll on the final passage of Second Engrossed Senate Bill No. 5773, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 32; Nays, 9; Absent, 3; Excused, 5.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Delvin, Ericksen, Fain, Hargrove, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Kilmer, King, Litzow, McAuliffe, Morton, Parlette, Pflug, Pridemore, Ranker, Regala, Rockefeller, Schoesler, Stevens, Tom and Zarelli

Voting nay: Senators Chase, Conway, Fraser, Harper, Hatfield, Keiser, Nelson, Prentice and White

Absent: Senators Kline, Murray and Sheldon

Excused: Senators Eide, Kohl-Welles, Roach, Shin and Swecker

SECOND ENGROSSED SENATE BILL NO. 5773, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### MESSAGE FROM THE HOUSE

May 13, 2011

### MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5921 with the following amendment(s): 5921-S.E AMH ENGR H2797.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that stable and sustainable employment is the key goal of the WorkFirst and temporary assistance for needy families programs. Achieving stable and sustainable employment is a developmental process that takes time, effort, and engagement. In times of fiscal challenge, temporary assistance for needy families and WorkFirst resources

must be invested in program elements that produce the best results for low-income families and the state of Washington.

The legislature further finds that the core tenets that are the foundation of Washington state's WorkFirst program are: (1) Achieving stable and successful employment; (2) recognizing the critical role that participants play in their children's development, healthy growth, and promotion of family stability; (3) developing strategies founded on the principle that WorkFirst is a transitional, not long-term, program to assist families on the pathway to self-sufficiency while holding them accountable; and (4) leveraging resources outside the funding for temporary assistance for needy families is crucial to achieving WorkFirst goals. It is the intent of the legislature, using evidence-based and research-based practices, to develop a road map to self-sufficiency for WorkFirst participants and temporary assistance for needy families recipients.

The legislature further finds that parents are responsible for the support of their children and that they have up to sixty months of receipt of temporary assistance for needy families benefits, absent any applicable hardship extension, to achieve stable and sustainable employment or find other means to support their family. It is the intent of the legislature to apply a sixty-month time limit to the temporary assistance for needy families program, including households in which a parent is in the home and ineligible for temporary assistance for needy families. The legislature intends that hardship extensions be applied to families subject to time limits.

**Sec. 2.** RCW 74.08A.260 and 2009 c 85 s 2 are each amended to read as follows:

- (1) Each recipient shall be assessed after determination of program eligibility and before referral to job search. Assessments shall be based upon factors that are critical to obtaining employment, including but not limited to education, availability of child care, history of family violence, history of substance abuse, and other factors that affect the ability to obtain employment. Assessments may be performed by the department or by a contracted entity. The assessment shall be based on a uniform, consistent, transferable format that will be accepted by all agencies and organizations serving the recipient.
- (2) Based on the assessment, an individual responsibility plan shall be prepared that: (a) Sets forth an employment goal and a plan for maximizing the recipient's success at meeting the employment goal; (b) considers WorkFirst educational and training programs from which the recipient could benefit; (c) contains the obligation of the recipient to participate in the program by complying with the plan; (d) moves the recipient into full-time WorkFirst activities as quickly as possible; and (e) describes the services available to the recipient either during or after WorkFirst to enable the recipient to obtain and keep employment and to advance in the workplace and increase the recipient's wage earning potential over time.
- (((2))) (3) Recipients who are not engaged in work and work activities, and do not qualify for a good cause exemption under RCW 74.08A.270, shall engage in self-directed service as provided in RCW 74.08A.330.
- $(((\frac{3}{2})))$  (4) If a recipient refuses to engage in work and work activities required by the department, the family's grant shall be reduced by the recipient's share, and may, if the department determines it appropriate, be terminated.
- (((4))) (5) The department may waive the penalties required under subsection (((3))) (4) of this section, subject to a finding that the recipient refused to engage in work for good cause provided in RCW 74.08A.270.
- (((5) In implementing this section, the department shall assign the highest priority to the most employable clients, including adults in two-parent families and parents in single-parent families that include older preschool or school-age children to be engaged in work activities.))

- (6) In consultation with the recipient, the department or contractor shall place the recipient into a work activity that is available in the local area where the recipient resides.
- (7) Assessments conducted under this section shall include a consideration of the potential benefit to the recipient of engaging in financial literacy activities. The department shall consider the options for financial literacy activities available in the community, including information and resources available through the financial ((literacy)) education public-private partnership created under RCW 28A.300.450. The department may authorize up to ten hours of financial literacy activities as a core activity or an optional activity under WorkFirst.
- (8)(a) From July 1, 2011, through June 30, 2012, subsections (2) through (6) of this section are suspended for a recipient who is a parent or other relative personally providing care for one child under the age of two years, or two or more children under the age of six years. This suspension applies to both one and two parent families. However, both parents in a two-parent family cannot use the suspension during the same month. Beginning July 1, 2012, the department shall phase in the work activity requirements that were suspended, beginning with those recipients closest to reaching the sixty-month limit of receiving temporary assistance for needy families under RCW 74.08A.010(1). The phase in shall be accomplished so that a fairly equal number of recipients required to participate in work activities are returned to those activities each month until the total number required to participate is participating by June 30, 2013. Nothing in this subsection shall prevent a recipient from participating in the WorkFirst program on a voluntary basis. Recipients who participate in the WorkFirst program on a voluntary basis shall be provided an option to participate in the program on a part-time basis, consisting of sixteen or fewer hours of activities per week. Recipients also may participate voluntarily on a full-time basis.
- (b)(i) The period of suspension of work activities under this subsection provides an opportunity for the legislative and executive branches to oversee redesign of the WorkFirst program. To realize this opportunity, both during the period of suspension and following reinstatement of work activity requirements as redesign is being implemented, a legislative-executive WorkFirst oversight task force is established, with members as provided in this subsection (8)(b).
- (ii) The president of the senate shall appoint two members from each of the two largest caucuses of the senate.
- (iii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.
- (iv) The governor shall appoint members representing the department of social and health services, the department of early learning, the department of commerce, the employment security department, the office of financial management, and the state board for community and technical colleges.
- (v) The task force shall choose cochairs, one from among the legislative members and one from among the executive branch members. The legislative members shall convene the initial meeting of the task force.
  - (c) The task force shall:
- (i) Oversee the partner agencies' implementation of the redesign of the WorkFirst program and operation of the temporary assistance for needy families program to ensure that the programs are achieving desired outcomes for their clients;
- (ii) Determine evidence-based outcome measures for the WorkFirst program, including measures related to equitably serving the needs of historically underrepresented populations, such as English language learners, immigrants, refugees, and other diverse communities;
- (iii) Develop accountability measures for WorkFirst recipients and the state agencies responsible for their progress toward

- self-sufficiency;
- (iv) Make recommendations to the governor and the legislature regarding:
- (A) Policies to improve the effectiveness of the WorkFirst program over time;
- (B) Early identification of those recipients most likely to experience long stays on the program and strategies to improve their ability to achieve progress toward self-sufficiency; and
- (C) Necessary changes to the program, including taking into account federal changes to the temporary assistance for needy families program.
- (d) The partner agencies must provide the task force with regular reports on:
- (i) The partner agencies' progress toward meeting the outcome and performance measures established under (c) of this subsection;
- (ii) Caseload trends and program expenditures, and the impact of those trends and expenditures on client services, including services to historically underrepresented populations; and
- (iii) The characteristics of families who have been unsuccessful on the program and have lost their benefits either through sanction or the sixty-month time limit.
- (e) Staff support for the task force must be provided by senate committee services, the house of representatives office of program research, and the state agency members of the task force.
- (f) The task force shall meet on a quarterly basis beginning September 2011, or as determined necessary by the task force cochairs.
- (g) During its tenure, the state agency members of the task force shall respond in a timely manner to data requests from the cochairs.
- **Sec. 3.** RCW 74.08A.290 and 1997 c 58 s 316 are each amended to read as follows:
- (1) ((It is the intent of the legislature that)) On or before July 1, 2012, the department ((is authorized to)) shall engage in competitive contracting using performance-based contracts to provide all WorkFirst work activities ((authorized in chapter 58, Laws of 1997, including the job search component authorized in section 312 of this act)).
- (2) The department ((may)) shall use competitive performance-based contracting to select ((which vendors will participate)) the public or private vendors to provide work activity services in the WorkFirst program. WorkFirst work activity services provided by partner agencies also shall be pursuant to performance-based contracts. Performance-based contracts shall be awarded based on factors that include but are not limited to the criteria listed in RCW 74.08A.410, past performance of the contractor, demonstrated ability to perform the contract effectively, financial strength of the contractor, and merits of the proposal for services submitted by the contractor. Contracts shall be made without regard to whether the contractor is a public or private entity.
- (3) The department ((may)) shall contract for an evaluation of the competitive contracting practices and outcomes to be performed by ((an independent entity with expertise in government privatization and competitive strategies)) the Washington state institute for public policy. The evaluation shall include ((quarterly)) annual progress reports to the appropriate policy and fiscal committees of the legislature and to the governor, starting ((at the first quarter after the effective date of the first competitive contract and ending two years after the effective date of the first competitive competitive contract)) June 30, 2012.
- (4) The department shall work with the legislative-executive WorkFirst oversight task force established under RCW 74.08A.260 to develop appropriate outcomes by which the contractor's performance will be measured. The outcomes shall be developed no later than November 30, 2011.
- (5) The department shall seek independent assistance in developing contracting strategies to implement this section.

## TWENTY FIRST DAY, MAY 16, 2011

Assistance may include but is not limited to development of contract language, design of requests for proposal, developing full cost information on government services, evaluation of bids, and providing for equal competition between private and public entities.

<u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 74.12 RCW to read as follows:

The department shall adopt rules, effective November 1, 2011, establishing income eligibility for temporary assistance for needy families benefits for a child, other than a foster child, who lives with a caregiver other than his or her parents. The department shall establish a sliding scale benefit standard for a child when the income of the child's caregiver is above two hundred percent but below three hundred percent of the federal poverty level based on family size. A caregiver with an income above three hundred percent of the federal poverty level shall not be eligible for temporary assistance for needy families benefits for a child, not a foster child, who is residing with that caregiver.

<u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 74.08A RCW to read as follows:

In determining the income eligibility of an applicant or recipient for temporary assistance for needy families or WorkFirst, the department shall not count the federal supplemental security income received by a household member.

- **Sec. 6.** RCW 74.08A.010 and 2004 c 54 s 4 are each amended to read as follows:
- (1) A family that includes an adult who has received temporary assistance for needy families for sixty months after July 27, 1997, shall be ineligible for further temporary assistance for needy families assistance.
- (2) For the purposes of applying the rules of this section, the department shall count any month in which an adult family member received a temporary assistance for needy families cash assistance grant unless the assistance was provided when the <u>adult</u> family member was a minor child and not the head of the household or married to the head of the household.
- (3) The department shall adopt regulations to apply the sixty-month time limit to households in which a parent is in the home and ineligible for temporary assistance for needy families. Any regulations shall be consistent with federal funding requirements.
- (4) The department shall refer recipients who require specialized assistance to appropriate department programs, crime victims' programs through the department of ((community, trade, and economic development)) commerce, or the crime victims' compensation program of the department of labor and industries.
- (((4))) (5) The department may exempt a recipient and the recipient's family from the application of subsection (1) of this section by reason of hardship or if the recipient meets the family violence options of section 402(A)(7) of Title IVA of the federal social security act as amended by P.L. 104-193. ((The number of recipients and their families exempted from subsection (1) of this section for a fiscal year shall not exceed twenty percent of the average monthly number of recipients and their families to which assistance is provided under the temporary assistance for needy families program.
- (5))) Policies related to circumstances under which a recipient will be exempted from the application of subsection (1) or (3) of this section shall treat adults receiving benefits on their own behalf, and parents receiving benefits on behalf of their child similarly, unless required otherwise under federal law.
- <u>(6)</u> The department shall not exempt a recipient and his or her family from the application of subsection (1) or (3) of this section until after the recipient has received fifty-two months of assistance under this chapter.

- (((6))) (7) Beginning on October 31, 2005, the department shall provide transitional food stamp assistance for a period of five months to a household that ceases to receive temporary assistance for needy families assistance and is not in sanction status. If necessary, the department shall extend the household's food stamp certification until the end of the transition period.
- **Sec. 7.** RCW 74.08.025 and 2005 c 174 s 2 are each amended to read as follows:
  - (1) Public assistance may be awarded to any applicant:
- (a) Who is in need and otherwise meets the eligibility requirements of department assistance programs; and
- (b) Who has not made a voluntary assignment of property or cash for the purpose of qualifying for an assistance grant; and
- (c) Who is not an inmate of a public institution except as a patient in a medical institution or except as an inmate in a public institution who could qualify for federal aid assistance: PROVIDED, That the assistance paid by the department to recipients in nursing homes, or receiving nursing home care, may cover the cost of clothing and incidentals and general maintenance exclusive of medical care and health services. The department may pay a grant to cover the cost of clothing and personal incidentals in public or private medical institutions and institutions for tuberculosis. The department shall allow recipients in nursing homes to retain, in addition to the grant to cover the cost of clothing and incidentals, wages received for work as a part of a training or rehabilitative program designed to prepare the recipient for less restrictive placement to the extent permitted under Title XIX of the federal social security act.
- (2) Any person otherwise qualified for temporary assistance for needy families under this title who has resided in the state of Washington for fewer than twelve consecutive months immediately preceding application for assistance is limited to the benefit level in the state in which the person resided immediately before Washington, using the eligibility rules and other definitions established under this chapter, that was obtainable on the date of application in Washington state, if the benefit level of the prior state is lower than the level provided to similarly situated applicants in Washington state. The benefit level under this subsection shall be in effect for the first twelve months a recipient is on temporary assistance for needy families in Washington state.
- (3) Any person otherwise qualified for temporary assistance for needy families who is assessed through the state alcohol and substance abuse program as drug or alcohol-dependent and requiring treatment to become employable shall be required by the department to participate in a drug or alcohol treatment program as a condition of benefit receipt.
- (4) The department may implement a permanent disqualification for adults who have been terminated due to WorkFirst noncompliance sanction three or more times since March 1, 2007. A household that includes an adult who has been permanently disqualified from receiving temporary assistance for needy families shall be ineligible for further temporary assistance for needy families assistance.
- (5) Pursuant to 21 U.S.C. 862a(d)(1), the department shall exempt individuals from the eligibility restrictions of 21 U.S.C. 862a(a)(1) and (2) to ensure eligibility for temporary assistance for needy families benefits and federal food assistance.
- **Sec. 8.** RCW 74.08A.250 and 2009 c 353 s 6 are each amended to read as follows:

Unless the context clearly requires otherwise, as used in this chapter, "work activity" means:

(1) Unsubsidized paid employment in the private or public sector;

- (2) Subsidized paid employment in the private or public sector, including employment through the state or federal work-study program for a period not to exceed twenty-four months;
  - (3) Work experience, including:
- (a) An internship or practicum, that is paid or unpaid and is required to complete a course of vocational training or to obtain a license or certificate in a high-demand occupation, as determined by the employment security department. No internship or practicum shall exceed twelve months; or
- (b) Work associated with the refurbishing of publicly assisted housing, if sufficient paid employment is not available;
  - (4) On-the-job training;
  - (5) Job search and job readiness assistance;
- (6) Community service programs, including a recipient's voluntary service at a child care or preschool facility licensed under chapter 43.215 RCW or an elementary school in which his or her child is enrolled;
- (7) Vocational educational training, not to exceed twelve months with respect to any individual;
  - (8) Job skills training directly related to employment;
- (9) Education directly related to employment, in the case of a recipient who has not received a high school diploma or a GED;
- (10) Satisfactory attendance at secondary school or in a course of study leading to a GED, in the case of a recipient who has not completed secondary school or received such a certificate;
- (11) The provision of child care services to an individual who is participating in a community service program;
- (12) Internships, that shall be paid or unpaid work experience performed by an intern in a business, industry, or government or nongovernmental agency setting;
- (13) Practicums, which include any educational program in which a student is working under the close supervision of a professional in an agency, clinic, or other professional practice setting for purposes of advancing their skills and knowledge;
- (14) Services required by the recipient under RCW 74.08.025(3) and 74.08A.010(((3))) (4) to become employable; ((and))
- (15) Financial literacy activities designed to be effective in assisting a recipient in becoming self-sufficient and financially stable; and
- (16) Parent education services or programs that support development of appropriate parenting skills, life skills, and employment-related competencies.
- **Sec. 9.** RCW 74.20.040 and 2007 c 143 s 5 are each amended to read as follows:
- (1) Whenever the department receives an application for public assistance on behalf of a child, or the department receives an application for subsidized child care services or working connections child care services, the department or the department of early learning shall take appropriate action under the provisions of this chapter, chapter 74.20A RCW, or other appropriate statutes of this state to establish or enforce support obligations against the parent or other persons owing a duty to pay support moneys.
- (2) The secretary may accept a request for support enforcement services on behalf of persons who are not recipients of public assistance and may take appropriate action to establish or enforce support obligations against the parent or other persons owing a duty to pay moneys. Requests accepted under this subsection may be conditioned upon the payment of a fee as required by subsection (6) of this section or through regulation issued by the secretary. The secretary may establish by regulation, reasonable standards and qualifications for support enforcement services under this subsection.
- (3) The secretary may accept requests for support enforcement services from child support enforcement agencies in other states operating child support programs under Title IV-D of the social

- security act or from foreign countries, and may take appropriate action to establish and enforce support obligations, or to enforce subpoenas, information requests, orders for genetic testing, and collection actions issued by the other agency against the parent or other person owing a duty to pay support moneys, the parent or other person's employer, or any other person or entity properly subject to child support collection or information-gathering processes. The request shall contain and be accompanied by such information and documentation as the secretary may by rule require, and be signed by an authorized representative of the agency. The secretary may adopt rules setting forth the duration and nature of services provided under this subsection.
- (4) The department may take action to establish, enforce, and collect a support obligation, including performing related services, under this chapter and chapter 74.20A RCW, or through the attorney general or prosecuting attorney for action under chapter 26.09, 26.18, 26.20, 26.21A, or 26.26 RCW or other appropriate statutes or the common law of this state.
- (5) Whenever a support order is filed with the Washington state support registry under chapter 26.23 RCW, the department may take appropriate action under the provisions of this chapter, chapter 26.23 or 74.20A RCW, or other appropriate law of this state to establish or enforce the support obligations contained in that order against the responsible parent or other persons owing a duty to pay support moneys.
- (6) The secretary, in the case of an individual who has never received assistance under a state program funded under part A and for whom the state has collected at least five hundred dollars of support, shall impose an annual fee of twenty-five dollars for each case in which services are furnished, which shall be retained by the state from support collected on behalf of the individual, but not from the first five hundred dollars of support. The secretary may, on showing of necessity, waive or defer any such fee or cost.
- (7) Fees, due and owing, may be retained from support payments directly or collected as delinquent support moneys utilizing any of the remedies in chapter 74.20 RCW, chapter 74.20A RCW, chapter 26.21A RCW, or any other remedy at law or equity available to the department or any agencies with whom it has a cooperative or contractual arrangement to establish, enforce, or collect support moneys or support obligations.
- (8) The secretary may waive the fee, or any portion thereof, as a part of a compromise of disputed claims or may grant partial or total charge off of said fee if the secretary finds there are no available, practical, or lawful means by which said fee may be collected or to facilitate payment of the amount of delinquent support moneys or fees owed
- (9) The secretary shall adopt rules conforming to federal laws, including but not limited to complying with section 7310 of the federal deficit reduction act of 2005, 42 U.S.C. Sec. 654, and rules and regulations required to be observed in maintaining the state child support enforcement program required under Title IV-D of the federal social security act. The adoption of these rules shall be calculated to promote the cost-effective use of the agency's resources and not otherwise cause the agency to divert its resources from its essential functions.
- **Sec. 10.** RCW 74.20.330 and 2007 c 143 s 6 are each amended to read as follows:
- (1) Whenever public assistance is paid under a state program funded under Title IV-A of the federal social security act as amended by the personal responsibility and work opportunity reconciliation act of 1996, and the federal deficit reduction act of 2005, each applicant or recipient is deemed to have made assignment to the department of any rights to a support obligation from any other person the applicant or recipient may have in his or her own behalf or in behalf of any other family member for whom the applicant or recipient is applying for or receiving public

#### TWENTY FIRST DAY, MAY 16, 2011

assistance, including any unpaid support obligation or support debt which has accrued at the time the assignment is made.

- (2) Payment of public assistance under a state-funded program, or a program funded under Title IV-A, IV-E, or XIX of the federal social security act as amended by the personal responsibility and work opportunity reconciliation act of 1996 shall:
  - (a) Operate as an assignment by operation of law; and
- (b) Constitute an authorization to the department to provide the assistance recipient with support enforcement services.
- (3) Payment for subsidized child care services or working connections child care services shall constitute an authorization to the department to provide the recipient of the subsidy with support enforcement services. The department is authorized to collect, but not retain, child support payments under this subsection.
- (4) Effective October 1, 2008, whenever public assistance is paid under a state program funded under Title IV-A of the federal social security act as amended by the personal responsibility and work opportunity reconciliation act of 1996, and the federal deficit reduction act of 2005, a member of the family is deemed to have made an assignment to the state any right the family member may have, or on behalf of the family member receiving such assistance, to support from any other person, not exceeding the total amount of assistance paid to the family, which accrues during the period that the family receives assistance under the program.
- **Sec. 11.** RCW 43.215.135 and 2010 c 273 s 2 are each amended to read as follows:
- (1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures defined in RCW 74.08A.410 and the standards established in this section intended to promote continuity of care for children.
- (2) As a condition of receiving a child care subsidy or a working connections child care subsidy, the applicant or recipient must seek child support enforcement services from the department of social and health services, division of child support, unless the department finds that the applicant or recipient has good cause not to cooperate.
- (3) Except as provided in subsection (4) of this section, an applicant or recipient of a child care subsidy or a working connections child care subsidy is eligible to receive that subsidy for six months before having to recertify his or her income eligibility. The six-month certification provision applies only if enrollments in the child care subsidy or working connections child care program are capped.
- (4) Beginning in fiscal year 2011, for families with children enrolled in an early childhood education and assistance program, a head start program, or an early head start program, authorizations for the working connections child care subsidy shall be effective for twelve months unless a change in circumstances necessitates reauthorization sooner than twelve months.
- (((3))) (5) The department, in consultation with the department of social and health services, shall report to the legislature by September 1, 2011, with:
- (a) An analysis of the impact of the twelve-month authorization period on the stability of child care, program costs, and administrative savings; and
- (b) Recommendations for expanding the application of the twelve-month authorization period to additional populations of children in care.

<u>NEW SECTION.</u> **Sec. 12.** A new section is added to chapter 43.215 RCW to read as follows:

The department and the department of social and health services, in consultation with interested individuals and organizations, shall jointly:

- (1) Identify different options to track subsidized child care attendance, including methods using a land line or cellular telephone, a computer, a point of sale system, or some combination of these methods and report their recommended method to the legislature no later than December 31, 2011. Each department's recommendations must include implementation issues to be addressed and a proposed implementation timeline, and should assume a January 2013 implementation date for the attendance tracking system. The legislature shall review the recommendations and authorize implementation. The method that is chosen must interface smoothly with the current and future payment systems for subsidized child care payments.
- (2) Conduct an assessment of the current subsidized child care eligibility determination system and develop recommendations to improve the accuracy, efficiency, and responsiveness of the system, including consideration of the most appropriate entity or entities to make eligibility determinations. The results of the assessment shall be reported to the legislature no later than December 31, 2011.
- <u>NEW SECTION.</u> **Sec. 13.** (1) The department of social and health services, in consultation with its electronic benefits card contractor and interested persons and organizations, shall develop strategies to increase opportunities for public assistance recipients to maintain bank accounts, with a goal of increasing recipient financial literacy and financial management skills and minimizing recipient costs association with automatic teller machine transaction fees. A report and recommendations shall be submitted to the relevant policy and fiscal committees of the legislature by December 1, 2011.
- (2) The department of social and health services shall, in contracting with electronic benefit card providers, require that any surcharge or transaction fee charged by the provider be disclosed to electronic benefit card clients at the point in which the surcharge or transaction fee occurs.
- **Sec. 14.** RCW 74.08.580 and 2002 c 252 s 1 are each amended to read as follows:
- (1) Any person receiving public assistance is prohibited from using electronic benefit cards or cash obtained with electronic benefit cards:
- (a) For the purpose of participating in any of the activities authorized under chapter 9.46 RCW;
- (b) For the purpose of parimutuel wagering authorized under chapter  $67.16\ RCW$ ; (( $\Theta$ ))
- (c) To purchase lottery tickets or shares authorized under chapter 67.70 RCW;
- (d) For the purpose of participating in or purchasing any activities located in a tattoo, body piercing, or body art shop licensed under chapter 18.300 RCW;
- (e) To purchase cigarettes as defined in RCW 82.24.010 or tobacco products as defined in RCW 82.26.010;
  - (f) To purchase any items regulated under Title 66 RCW; or
- (g) For the purpose of purchasing or participating in any activities in any location listed in subsection (2) of this section.
- (2) On or before January 1, 2012, the businesses listed in this subsection must disable the ability of ATM and point-of-sale machines located on their business premises to accept the electronic benefit card. The following businesses are required to comply with this mandate:
  - (a) Taverns licensed under RCW 66.24.330;
  - (b) Beer/wine specialty stores licensed under RCW 66.24.371;
  - (c) Nightclubs licensed under RCW 66.24.600;
  - (d) Contract liquor stores defined under RCW 66.04.010;
  - (e) Bail bond agencies regulated under chapter 18.185 RCW;
  - (f) Gambling establishments licensed under chapter 9.46 RCW;
- (g) Tattoo, body piercing, or body art shops regulated under chapter 18.300 RCW;

- (h) Adult entertainment venues with performances that contain erotic material where minors under the age of eighteen are prohibited under RCW 9.68A.150; and
- (i) Any establishments where persons under the age of eighteen are not permitted.
- (3) The department must notify the licensing authority of any business listed in subsection (2) of this section that such business has continued to allow the use of the electronic benefit card in violation of subsection (2) of this section.
- (4) Only the recipient, an eligible member of the household, or the recipient's authorized representative may use an electronic benefit card or the benefit and such use shall only be for the respective benefit program purposes. The recipient shall not sell, or attempt to sell, exchange, or donate an electronic benefit card or any benefits to any other person or entity.
- (5) The first violation of subsection (1) or (4) of this section by a recipient constitutes a class 4 civil infraction under RCW 7.80.120. Second and subsequent violations of subsection (1) or (4) of this section constitute a class 3 civil infraction under RCW 7.80.120.
- (a) The department shall notify, in writing, all recipients of electronic benefit cards that any violation of subsection (1) or (4) of this section could result in legal proceedings and forfeiture of all cash public assistance.
- (b) Whenever the department receives notice that a person has violated subsection (1) <u>or (4)</u> of this section, the department shall notify the person in writing that the violation could result in legal proceedings and forfeiture of all cash public assistance.
- (c) The department shall assign a protective payee to the person receiving public assistance who violates subsection (1) <u>or (4)</u> of this section <u>two or more times</u>.

<u>NEW SECTION.</u> **Sec. 15.** A new section is added to chapter 66.24 RCW to read as follows:

The board shall immediately suspend the license of a business that has been issued a license under RCW 66.24.330, 66.24.371, or 66.24.600 if the board receives information that the business has not complied with RCW 74.08.580(2). If the licensee has remained otherwise eligible to be licensed, the board may reinstate the suspended license when the business has complied with RCW 74.08.580(2).

- **Sec. 16.** RCW 66.16.041 and 2005 c 151 s 6 are each amended to read as follows:
- (1) The state liquor control board shall accept bank credit card and debit cards for purchases in state liquor stores, under such rules as the board may adopt. The board shall authorize contract liquor stores appointed under RCW 66.08.050 to accept bank credit cards and debit cards for liquor purchases under this title, under such rules as the board may adopt.
- (2) If a contract liquor store chooses to use credit or debit cards for liquor purchases, the board shall provide equipment and installation and maintenance of the equipment necessary to implement the use of credit and debit cards. Any equipment provided by the board to a contract liquor store for this purpose may be used only for the purchase of liquor.
- (3) It is the board's responsibility to ensure that the equipment used by the contract liquor stores to accept debit or credit cards for liquor purchases complies with the requirements of RCW 74.08.580(2) with regard to point-of-sale machines.
- (4) It is the contract liquor store's responsibility to comply with the requirements of RCW 74.08.580(2) pertaining to the use of electronic benefit transfer cards in ATM machines located on the contract liquor store premises. The board shall immediately suspend the contract it has with the contract liquor store if it receives information that the store has not complied with RCW 74.08.580(2). The board may reinstate the suspended contract when the contract liquor store has complied with RCW 74.08.580(2).

<u>NEW SECTION.</u> **Sec. 17.** A new section is added to chapter 18.300 RCW to read as follows:

The department of licensing shall immediately suspend any license under this chapter if the department receives information that the license holder has not complied with RCW 74.08.580(2). If the license holder has remained otherwise eligible to be licensed, the department may reinstate the suspended license when the holder has complied with RCW 74.08.580(2).

<u>NEW SECTION.</u> **Sec. 18.** A new section is added to chapter 18.185 RCW to read as follows:

The director shall immediately suspend any license issued under this chapter if the director receives information that the license holder has not complied with RCW 74.08.580(2). If the license holder has otherwise remained eligible to be licensed, the director may reinstate the suspended license when the holder has complied with RCW 74.08.580(2).

- Sec. 19. RCW 9.46.410 and 2002 c  $252 \ s \ 2$  are each amended to read as follows:
- (1) Any licensee authorized under this chapter is prohibited from allowing the use of public assistance electronic benefit cards for the purpose of participating in any of the activities authorized under this chapter.
- (2) Any licensee authorized under this chapter shall report to the department of social and health services any known violations of RCW 74.08.580.
- (3) Any licensee authorized under this chapter is required to comply with RCW 74.08.580(2). If the licensee fails to comply with RCW 74.08.580(2), its license shall be immediately suspended until it complies with RCW 74.08.580(2). If the licensee remains otherwise eligible to be licensed, the commission may reinstate the license once the licensee has complied with RCW 74.08.580(2).
- <u>NEW SECTION.</u> **Sec. 20.** The legislature finds that eliminating waste, fraud, and abuse of public assistance benefits should be a priority of the department of social and health services, and this can best be reflected in a newly organized, accountable, and proactive fraud unit directly under the secretary's authority with the resources necessary to combat fraud and to ensure the confidence of the public in the critical social safety net programs it funds.

<u>NEW SECTION.</u> **Sec. 21.** A new section is added to chapter 74.04 RCW to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Abuse" means any intentional use of public assistance benefits that constitutes a violation of any state statute or regulation relating to the use of public assistance benefits. This definition excludes medicaid and other medical programs as defined in chapter 74.09 RCW, and fraud and abuse committed by medical providers and recipients of medicaid and other medical program services.
- (2) "Disclosable information" means public information that (a) is not exempt from disclosure under chapter 42.56 RCW; and (b) does not pertain to an ongoing investigation.
- (3) "Fraud" means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or herself or some other person.
  - (4) "Office" means the office of fraud and accountability.
- (5) "Public assistance" or "public assistance programs" means public aid to persons in need including assistance grants, food assistance, work relief, disability lifeline benefits, temporary assistance for needy families, and, for purposes of this section, working connections child care subsidies. This definition excludes medicaid and other medical programs as defined in chapter 74.09 RCW, and fraud and abuse committed by medical providers and recipients of medicaid and other medical program services.
- **Sec. 22.** RCW 74.04.012 and 2008 c 74 s 3 are each amended to read as follows:

#### TWENTY FIRST DAY, MAY 16, 2011

- (1) There is established ((a unit)) an office of fraud and accountability within the department for the purpose of detection, investigation, and prosecution of any act prohibited or declared to be unlawful in the <u>public assistance</u> programs administered by the department. The secretary will employ qualified supervisory, legal, and investigative personnel for the program. Program staff must be qualified by training and experience.
- (2) The director of the office of fraud and accountability is the head of the office and is selected by the secretary and must demonstrate suitable capacity and experience in law enforcement management, public administration, and criminal investigations. The director of the office of fraud and accountability shall:
  - (a) Report directly to the secretary; and
- (b) Ensure that each citizen complaint, employee complaint, law enforcement complaint, and agency referral is assessed and, when risk of fraud or abuse is present, is fully investigated, and is referred for prosecution or recovery when there is substantial evidence of wrongdoing.
  - (3) The office shall:
- (a) Conduct independent and objective investigations into allegations of fraud and abuse, make appropriate referral to law enforcement when there is substantial evidence of criminal activity, and recover overpayment whenever possible and to the greatest possible degree;
- (b) Recommend policies, procedures, and best practices designed to detect and prevent fraud and abuse, and to mitigate the risk for fraud and abuse and assure that public assistance benefits are being used for their statutorily stated goals;
- (c) Analyze cost-effective, best practice alternatives to the current cash benefit delivery system consistent with federal law to ensure that benefits are being used for their intended purposes; and
- (d) Use best practices to determine appropriate utilization and deployment of investigative resources, ensure that resources are deployed in a balanced and effective manner, and use all available methods to gather evidence necessary for proper investigation and successful prosecution.
- (4) By December 31, 2011, the office shall report to the legislature on the development of the office, identification of any barriers to meeting the stated goals of the office, and recommendations for improvements to the system and laws related to the prevention, detection, and prosecution of fraud and abuse in public assistance programs.
- **Sec. 23.** RCW 43.20A.605 and 2009 c 549 s 5078 are each amended to read as follows:
- (1) The secretary <u>or a designee</u> shall have full authority to administer oaths and take testimony thereunder, to issue subpoenas requiring the attendance of witnesses before him or her together with all books, memoranda, papers, and other documents, articles or instruments, and to compel the disclosure by such witnesses of all facts known to them relative to the matters under investigation.
- (2) Subpoenas issued in adjudicative proceedings are governed by RCW 34.05.588(1).
- (3) Subpoenas issued in the conduct of investigations required or authorized by other statutory provisions or necessary in the enforcement of other statutory provisions shall be governed by RCW 34.05.588(2).
- (4) When a judicially approved subpoena is required by law, the secretary or designee may apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or in the county where the subpoenaed documents, records, or evidence are located, or in Thurston county. The application must:
  - (a) State that an order is sought under this section;
  - (b) Adequately specify the documents, records, evidence, or

testimony; and

- (c) Include a declaration made under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within the department's authority and that the subpoenaed documents, records, evidence, or testimony are reasonably related to an investigation within the department's authority.
- (5) When an application under subsection (4) of this section is made to the satisfaction of the court, the court must issue an order approving the subpoena. When a judicially approved subpoena is required by law, an order under this subsection constitutes authority of law for the agency to subpoena the documents, records, evidence, or testimony.
- (6) The secretary or designee may seek approval and a court may issue an order under this section without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation. An application for court approval is subject to the fee and process set forth in RCW 36.18.012(3).

<u>NEW SECTION.</u> **Sec. 24.** A new section is added to chapter 74.04 RCW to read as follows:

- (1) In carrying out the provisions of this chapter, the office of fraud and accountability shall have prompt access to all individuals, records, electronic data, reports, audits, reviews, documents, and other materials available to the department of revenue, department of labor and industries, department of early learning, employment security department, department of licensing, and any other government entity that can be used to help facilitate investigations of fraud or abuse as determined necessary by the director of the office of fraud and accountability.
- (2) Information gathered by the department, the office, or the fraud ombudsman shall be safeguarded and remain confidential as required by applicable state or federal law. Whenever information or assistance requested under subsection (1) of this section is, in the judgment of the director, unreasonably refused or not provided, the director of the office of fraud and accountability must report the circumstances to the secretary immediately.
- **Sec. 25.** RCW 49.60.210 and 1992 c 118 s 4 are each amended to read as follows:
- (1) It is an unfair practice for any employer, employment agency, labor union, or other person to discharge, expel, or otherwise discriminate against any person because he or she has opposed any practices forbidden by this chapter, or because he or she has filed a charge, testified, or assisted in any proceeding under this chapter.
- (2) It is an unfair practice for a government agency or government manager or supervisor to retaliate against a whistleblower as defined in chapter 42.40 RCW.
- (3) It is an unfair practice for any employer, employment agency, labor union, government agency, government manager, or government supervisor to discharge, expel, discriminate, or otherwise retaliate against an individual assisting with an office of fraud and accountability investigation under RCW 74.04.012, unless the individual has willfully disregarded the truth in providing information to the office.

<u>NEW SECTION.</u> **Sec. 26.** A new section is added to chapter 43.09 RCW to read as follows:

(1) The auditor shall appoint a fraud ombudsman to audit the work of the office of fraud and accountability within the department of social and health services. The ombudsman shall review the fraud investigative work done by the office including cases filed with local prosecuting authorities. The ombudsman also shall have authority to investigate citizen complaints made to the auditor's office regarding fraud and abuse investigations conducted by, or declined to be conducted by, the office of fraud and accountability.

The department of social and health services shall provide the ombudsman with access to any relevant records it has in its possession related to a fraud or abuse investigation as determined by the fraud ombudsman, including access to electronic benefit transfer card transaction data.

- (2) The fraud ombudsman shall have access to persons within the office of fraud and accountability for purposes of interviews and evaluation.
- (3) The fraud ombudsman must submit a report summarizing its auditing activities of the office of fraud and accountability to the appropriate committees of the legislature by November 30, 2012, and biennially thereafter. The office of fraud and accountability shall assist the ombudsman to the fullest extent practicable in producing this report. The report shall contain only information consistent with the requirements of chapter 42.56 RCW and any other applicable state or federal laws, including:
- (a) A description of significant fraud or abuse, and of vulnerabilities or deficiencies relating to the prevention and detection of fraud or abuse in public assistance programs, discovered as a result of investigations completed during the reporting period;
- (b) Recommendations for improving the activities of the office of fraud and accountability with respect to the vulnerabilities or deficiencies identified under (a) of this subsection;
- (c) An identification of each significant recommendation described in the previous reports on which corrective action has, or has not, been completed;
- (d) The response from the office of fraud and accountability to any of the report findings, recommendations, or information provided in the report;
- (e) A summary of matters referred to prosecuting authorities during the reporting period and the charges filed and convictions entered during the reporting period that have resulted from referrals by the office of fraud and accountability; and
- (f) A description of the ease of access allowed by the office of fraud and accountability to all necessary data and personnel for purposes of conducting the audit.
- (4) Information gathered by department staff, the office of fraud and accountability, and the fraud ombudsman shall be safeguarded and remain confidential as required by applicable state and federal law.

<u>NEW SECTION.</u> **Sec. 27.** A new section is added to chapter 43.20A RCW to read as follows:

No later than January 1, 2012, the department shall establish an employee incentive program pilot for those employees who work directly with participants in the WorkFirst program. The pilot shall provide for eight hours of paid annual leave per year, in addition to the annual leave the employee normally accrues, for those employees who assist participants in meeting certain outcomes to be established by the department. The outcomes established must be of significance for the participant and can include achieving unsubsidized employment or the removal of a significant barrier to unsubsidized employment. The department shall report to the legislature by January 1, 2013, on the implementation of the pilot project, including how many employees received paid annual leave, what outcomes were achieved, and the savings associated with the achievement of the outcomes.

<u>NEW SECTION.</u> **Sec. 28.** Except for section 6 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2011.

<u>NEW SECTION.</u> **Sec. 29.** Section 6 of this act takes effect September 1, 2011."

Correct the title. and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

#### MOTION

Senator Regala moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5921.

Senators Regala and Carrell spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Regala that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5921.

#### MOTION

On motion of Senator White, Senator Murray was excused.

The motion by Senator Regala carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5921 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5921, as amended by the House.

#### ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5921, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 44; Nays, 0; Absent, 0; Excused, 5.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Conway, Delvin, Ericksen, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Rockefeller, Schoesler, Sheldon, Stevens, Tom, White and Zarelli

Excused: Senators Eide, Kohl-Welles, Roach, Shin and Swecker

ENGROSSED SUBSTITUTE SENATE BILL NO. 5921, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

#### **MOTION**

At 12:11 p.m., on motion of Senator Rockefeller, the Senate adjourned until 10:00 a.m. Tuesday, May 17, 2011.

BRAD OWEN, President of the Senate

THOMAS HOEMANN, Secretary of the Senate

:Other Action2	Introducti
1224-S	Messages
Introduction & 1st Reading1	2115-S
Messages1	Introducti
Other Action2	Messages
1354-S	Other Act
Introduction & 1 <sup>st</sup> Reading1	5773
Messages1	Final Pass
1449-S	Messages
Introduction & 1 <sup>st</sup> Reading1	Other Act
Messages1	5921-S
1701-S	Final Pass
Introduction & 1 <sup>st</sup> Reading1	Messages
Messages1	Other Act
2082-S	9172 Lee Ne
Introduction & 1 <sup>st</sup> Reading2	Introduce
Messages1	MESSAGE F
2111	Gubernate

Introduction & 1 <sup>st</sup> Reading	
Messages	
2115-S	
Introduction & 1st Reading	
Messages	
Other Action	2
5773	
Final Passage as amended by House	
Messages	
Other Action	3
5921-S	
Final Passage as amended by House	10
Messages	3
Other Action	10
9172 Lee Newgent	
Introduced	
MESSAGE FROM GOVERNOR	
Gubernatorial Appointments	