

SIXTIETH DAY**MORNING SESSION**

Senate Chamber, Olympia
Thursday, March 10, 2022

The Senate was called to order at 10:00 o'clock a.m. by the President of the Senate, Lt. Governor Heck presiding. The Secretary called the roll and announced to the President that all Senators were present.

The Washington State Patrol Honor Guard presented the Colors.

Miss Cora Jones and Miss Molly Jones, granddaughters of Senator Muzzall, led the Senate in the Pledge of Allegiance.

The prayer was offered by Gen Kelsang Rinzin of the Tushita Kadampa Buddhist Center, Olympia.

MOTIONS

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

There being no objection, the Senate advanced to the first order of business.

REPORTS OF STANDING COMMITTEES

March 9, 2022

HB 1641 Prime Sponsor, Representative Hoff: Restoring the business and occupation and public utility tax exemption for custom farming and hauling farm products. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Billig; Braun; Carlyle; Conway; Gildon; Hunt; Keiser; Mullet; Muzzall; Rivers; Van De Wege; Wagoner and Warnick.

MINORITY recommendation: Do not pass. Signed by Senators Dhingra; Hasegawa; Pedersen and Wellman.

Referred to Committee on Rules for second reading.

March 9, 2022

2SHB 1814 Prime Sponsor, Committee on Finance: Expanding equitable access to the benefits of renewable energy through community solar projects. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass as amended. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Billig; Carlyle; Conway; Dhingra; Hunt; Keiser; Mullet; Pedersen; Rivers; Van De Wege and Wellman.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Gildon and Hasegawa.

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

Referred to Committee on Rules for second reading.

March 9, 2022

ESHB 1846 Prime Sponsor, Committee on Finance: Providing a tax preference for rural and nonrural data centers. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Brown, Assistant Ranking Member, Operating; Billig; Carlyle; Conway; Dhingra; Gildon; Hasegawa; Hunt; Keiser; Mullet; Pedersen; Rivers; Van De Wege; Warnick and Wellman.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Wilson, L., Ranking Member and Braun.

MINORITY recommendation: Do not pass. Signed by Senators Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Muzzall and Wagoner.

Referred to Committee on Rules for second reading.

March 9, 2022

ESHB 1914 Prime Sponsor, Committee on Community & Economic Development: Updating and expanding the motion picture competitiveness program. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass as amended. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Billig; Carlyle; Conway; Dhingra; Gildon; Hasegawa; Hunt; Keiser; Mullet; Muzzall; Pedersen; Rivers; Van De Wege; Wagoner; Warnick and Wellman.

MINORITY recommendation: That it be referred without recommendation. Signed by Senator Braun.

MINORITY recommendation: Do not pass. Signed by Senators Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital.

Referred to Committee on Rules for second reading.

March 9, 2022

2SHB 1988 Prime Sponsor, Committee on Appropriations: Concerning tax deferrals for investment projects in clean technology manufacturing, clean alternative fuels production, and renewable energy storage. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Billig; Carlyle; Conway; Dhingra; Hasegawa; Hunt; Keiser; Mullet; Pedersen; Van De Wege and Wellman.

MINORITY recommendation: Do not pass. Signed by Senators Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Braun; Gildon; Muzzall; Rivers; Wagoner and Warnick.

Referred to Committee on Rules for second reading.

March 9, 2022

EHB 1990 Prime Sponsor, Representative Duerr: Concerning a sales and use tax deferral for projects to improve the state route number 167 and Interstate 405 corridor. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Billig; Braun; Carlyle; Conway; Dhingra; Gildon; Hunt; Keiser; Mullet; Muzzall; Pedersen; Rivers; Van De Wege; Wagoner; Warnick and Wellman.

MINORITY recommendation: Do not pass. Signed by Senators Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital and Hasegawa.

Referred to Committee on Rules for second reading.

March 9, 2022

SHB 2099 Prime Sponsor, Committee on Finance: Improving tax administration by waiving penalties and imposing interest in certain situations involving delayed tax payments, and by extending a statute of limitations period for certain egregious tax crimes. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass. Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Billig; Carlyle; Conway; Dhingra; Gildon; Hasegawa; Hunt; Keiser; Mullet; Muzzall; Pedersen; Van De Wege; Warnick and Wellman.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Braun, Rivers and Wagoner.

Referred to Committee on Rules for second reading.

MOTIONS

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

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

MESSAGES FROM THE HOUSE

March 9, 2022

MR. PRESIDENT:

The Speaker 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.

BERNARD DEAN, Chief Clerk

March 9, 2022

MR. PRESIDENT:

The Speaker has signed:

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,
and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

March 9, 2022

MR. PRESIDENT:

The Speaker 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.

BERNARD DEAN, Chief Clerk

March 9, 2022

MR. PRESIDENT:

The Speaker 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.

BERNARD DEAN, Chief Clerk

MOTION

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

INTRODUCTION AND FIRST READING

SB 5986 by Senator Fortunato

AN ACT Relating to addressing homelessness through providing emergency shelter, incentivizing employment of workers experiencing homelessness, and building homes for a better future; adding a new section to chapter 43.185C RCW; adding a new section to chapter 36.01 RCW; adding new sections to chapter 36.70A RCW; adding new sections to chapter 82.04 RCW; adding a new section to chapter 82.16 RCW; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating new sections; and providing expiration dates.

Referred to Committee on Housing & Local Government.

SCR 8406 by Senators Pedersen and Short
 Returning bills to their house of origin.

Placed on Second Reading Calendar.

SCR 8407 by Senators Pedersen and Short
 Adjourning SINE DIE.

Placed on Second Reading Calendar.

MOTIONS

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

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

MOTIONS

On motion of Senator Billig, pursuant to Emergency Senate Rule I, the Committee on Rules was relieved of further consideration of the following measures and the measures were placed on the Second Reading Calendar:

HOUSE BILL NO. 2058,
 HOUSE BILL NO. 1641,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1846,
 SECOND SUBSTITUTE HOUSE BILL NO. 1988,
 ENGROSSED HOUSE BILL NO. 1990,
 SUBSTITUTE HOUSE BILL NO. 2099,
 SECOND SUBSTITUTE HOUSE BILL NO. 1814,
 and ENGROSSED SUBSTITUTE HOUSE BILL NO. 1914.

On motion of Senator Billig, pursuant to Emergency Senate Rule I, the Committee on Rules was relieved of further consideration of the following measure and the measure was placed on the Confirmation Calendar:

SENATE GUBERNATORIAL APPOINTMENT NO. 9408.

MOTION

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

The Senate resumed consideration of Engrossed Substitute House Bill No. 2124 which had been deferred on the previous day.

The measure was on third reading.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2124, by House Committee on Appropriations (originally sponsored by Riccelli, Sullivan, Frame, Ramel, Chapman, Ryu, Paul, Simmons, Stonier, Bergquist, Wicks, Valdez, Gregerson, Santos, Ramos, Johnson, J., Walen, Tharinger, Bateman, Callan, Thai, Taylor, Leavitt, Senn, Wylie, Macri, Ormsby, Pollet, Morgan, Bronoske, Kloba, Davis, Slatter, Berg, Lekanoff, Entenman, Ortiz-Self, Duerr, Peterson, Harris-Talley, Cody, Hackney, Chopp, Orwall and Rule)

Concerning extending collective bargaining to legislative employees.

RULING BY THE PRESIDENT

President Heck: “The President prior to issuing this ruling, has some preliminary comments on the choice of bill titles. The President would agree with Sen Braun that there has been a trend in recent years of evermore prescriptive and byzantine titles being selected. The President takes this opportunity to warn members about the selection of such titles. There is risk involved in this. Be forewarned.

In ruling on this point of order by Senator Braun objecting that the title of Engrossed Substitute House Bill No. 2124 does not match the body of the bill in violation of Senate Rule 25, the President finds and rules as follows:

Senate Rule 25 provides that 'no bill shall embrace more than one subject and that shall be expressed in the title.'

Here, the bill is about extending collective bargaining to legislative employees. The bill creates a state agency – the Labor Relations Office - tasked with several duties. The director of this agency is tasked with conducting negotiations on behalf of the employer. The bill also lists a number of other duties of the office, including examining issues relating to collective bargaining for legislative employees, developing best practices and options for implementation, and submitting a report to the Legislature.

The bill goes on to provide direction to the state agency as it prepares its considerations to the Legislature. The remaining sections provide the guideposts of the collective bargaining framework to the Labor Relations Office.

The President finds that the title of the bill appropriately gives notice that the bill is about extending collective bargaining rights to legislative employees. For this reason, the President finds that the bill meets the requirements of Senate Rule 25. The point of order is not well taken.”

Senators Keiser, Saldaña, Conway, Stanford, Trudeau, Randall, Hasegawa and Rolfes spoke in favor of passage of the bill.

Senators Braun, Padden, Fortunato, Wagoner and Holy spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 2124.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 2124 and the bill passed the Senate by the following vote: Yeas, 28; Nays, 20; Absent, 1; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Absent: Senator McCune

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2124, 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

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

MESSAGES FROM THE HOUSE

March 9, 2022

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5714,
SUBSTITUTE SENATE BILL NO. 5799,
ENGROSSED SENATE BILL NO. 5849,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 9, 2022

MR. PRESIDENT:

The House concurred in the Senate amendments to the following bills and passed the bills as amended by the Senate:

ENGROSSED FOURTH SUBSTITUTE
HOUSE BILL NO. 1412,

ENGROSSED SECOND SUBSTITUTE
HOUSE BILL NO. 1663,

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821,

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1866,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 9, 2022

MR. PRESIDENT:

The House has passed:

HOUSE BILL NO. 1924,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Randall moved that Patricia E. Shuman, Senate Gubernatorial Appointment No. 9063, be confirmed as a member of the Tacoma Community College Board of Trustees.

Senators Randall and Holy spoke in favor of passage of the motion.

APPOINTMENT OF PATRICIA E. SHUMAN

The President declared the question before the Senate to be the confirmation of Patricia E. Shuman, Senate Gubernatorial Appointment No. 9063, as a member of the Tacoma Community College Board of Trustees.

The Secretary called the roll on the confirmation of Patricia E. Shuman, Senate Gubernatorial Appointment No. 9063, as a member of the Tacoma Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman,

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Wilson, C., Wilson, J. and Wilson, L.

Patricia E. Shuman, Senate Gubernatorial Appointment No. 9063, having received the constitutional majority was declared confirmed as a member of the Tacoma Community College Board of Trustees.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Nobles moved that Eli Taylor, Senate Gubernatorial Appointment No. 9067, be confirmed as a member of the Clover Park Technical College Board of Trustees.

Senators Nobles and Holy spoke in favor of passage of the motion.

APPOINTMENT OF ELI TAYLOR

The President declared the question before the Senate to be the confirmation of Eli Taylor, Senate Gubernatorial Appointment No. 9067, as a member of the Clover Park Technical College Board of Trustees.

The Secretary called the roll on the confirmation of Eli Taylor, Senate Gubernatorial Appointment No. 9067, as a member of the Clover Park Technical College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Eli Taylor, Senate Gubernatorial Appointment No. 9067, having received the constitutional majority was declared confirmed as a member of the Clover Park Technical College Board of Trustees.

SIGNED BY THE PRESIDENT

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

- SECOND SUBSTITUTE HOUSE BILL NO. 1173,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1329,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1357,
- SUBSTITUTE HOUSE BILL NO. 1616,
- SECOND SUBSTITUTE HOUSE BILL NO. 1664,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1688,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1689,
- SUBSTITUTE HOUSE BILL NO. 1706,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1723,
- SUBSTITUTE HOUSE BILL NO. 1728,
- ENGROSSED HOUSE BILL NO. 1851,
- SECOND SUBSTITUTE HOUSE BILL NO. 1890,
- SUBSTITUTE HOUSE BILL NO. 1893,
- SUBSTITUTE HOUSE BILL NO. 2057,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 2076,

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- SUBSTITUTE HOUSE BILL NO. 1074
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1181
- HOUSE BILL NO. 1376,
- SUBSTITUTE HOUSE BILL NO. 1571,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1630,
- SUBSTITUTE HOUSE BILL NO. 1644,
- SUBSTITUTE HOUSE BILL NO. 1646,
- SUBSTITUTE HOUSE BILL NO. 1703,
- SUBSTITUTE HOUSE BILL NO. 1725,
- SUBSTITUTE HOUSE BILL NO. 1773,
- SUBSTITUTE HOUSE BILL NO. 1779,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1812,
- HOUSE BILL NO. 1825
- SUBSTITUTE HOUSE BILL NO. 1902
- HOUSE BILL NO. 1975
- SECOND SUBSTITUTE HOUSE BILL NO. 2008

MOTION

On motion of Senator Pedersen, the Senate reverted to the sixth order of business.

SECOND READING

THIRD SUBSTITUTE HOUSE BILL NO. 1359, by House Committee on Commerce & Gaming (originally sponsored by Stonier, MacEwen, Robertson, Shewmake, Ormsby and Macri)

Reducing liquor license fees temporarily. Revised for 3rd Substitute: Temporarily reducing liquor license fees.

The measure was read the second time.

MOTION

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

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that operations of businesses in the hospitality industry have been significantly disrupted since the beginning of the COVID-19 pandemic. Many of these businesses, including restaurants, hotels, theaters, caterers, and nightclubs maintain state liquor licenses in order to offer their customers beer, wine, or spirits as products or amenities as authorized under the terms of their licenses. However, many licensees' businesses were completely or partially closed for much of 2020 and continue to be closed or substantially disrupted in 2021 and 2022. Recognizing many licensees' inability to fully operate and use their license, and the financial hardships faced by many licensees, the legislature intends to provide relief to the hospitality industry by reducing certain liquor license fees in 2022 and 2023.

Sec. 2. RCW 66.24.420 and 2021 c 6 s 9 are each amended to read as follows:

(1) The spirits, beer, and wine restaurant license shall be issued in accordance with the following schedule of annual fees:

(a) The annual fee for a spirits, beer, and wine restaurant license shall be graduated according to the dedicated dining area and type of service provided as follows:

Less than 50% dedicated dining area	((\$2,000))
	\$1,000
50% or more dedicated dining area	((\$1,600))
	\$800

Service bar only

~~(\$1,000)~~
\$500

(b) The annual fee for the license when issued to any other spirits, beer, and wine restaurant licensee outside of incorporated cities and towns shall be prorated according to the calendar quarters, or portion thereof, during which the licensee is open for business, except in case of suspension or revocation of the license.

(c) Where the license shall be issued to any corporation, association or person operating a bona fide restaurant in an airport terminal facility providing service to transient passengers with more than one place where liquor is to be dispensed and sold, such license shall be issued upon the payment of the annual fee, which shall be a master license and shall permit such sale within and from one such place. Such license may be extended to additional places on the premises at the discretion of the board and a duplicate license may be issued for each such additional place. The holder of a master license for a restaurant in an airport terminal facility must maintain in a substantial manner at least one place on the premises for preparing, cooking, and serving of complete meals, and such food service shall be available on request in other licensed places on the premises. An additional license fee of twenty-five percent of the annual master license fee shall be required for such duplicate licenses.

(d) Where the license shall be issued to any corporation, association, or person operating dining places at a publicly or privately owned civic or convention center with facilities for sports, entertainment, or conventions, or a combination thereof, with more than one place where liquor is to be dispensed and sold, such license shall be issued upon the payment of the annual fee, which shall be a master license and shall permit such sale within and from one such place. Such license may be extended to additional places on the premises at the discretion of the board and a duplicate license may be issued for each such additional place. The holder of a master license for a dining place at such a publicly or privately owned civic or convention center must maintain in a substantial manner at least one place on the premises for preparing, cooking, and serving of complete meals, and food service shall be available on request in other licensed places on the premises. An additional license fee of ten dollars shall be required for such duplicate licenses.

(e) The annual fees in this subsection (1) are waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(e); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(e).

(f) The waivers in (e) of this subsection do not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(g) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (e) of this subsection for the reasons described in (f) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) The board, so far as in its judgment is reasonably possible, shall confine spirits, beer, and wine restaurant licenses to the

business districts of cities and towns and other communities, and not grant such licenses in residential districts, nor within the immediate vicinity of schools, without being limited in the administration of this subsection to any specific distance requirements.

(3) The board shall have discretion to issue spirits, beer, and wine restaurant licenses outside of cities and towns in the state of Washington. The purpose of this subsection is to enable the board, in its discretion, to license in areas outside of cities and towns and other communities, establishments which are operated and maintained primarily for the benefit of tourists, vacationers and travelers, and also golf and country clubs, and common carriers operating dining, club and buffet cars, or boats.

(4) The combined total number of spirits, beer, and wine nightclub licenses, and spirits, beer, and wine restaurant licenses issued in the state of Washington by the board, not including spirits, beer, and wine private club licenses, shall not in the aggregate at any time exceed one license for each one thousand two hundred of population in the state, determined according to the yearly population determination developed by the office of financial management pursuant to RCW 43.62.030.

(5) Notwithstanding the provisions of subsection (4) of this section, the board shall refuse a spirits, beer, and wine restaurant license to any applicant if in the opinion of the board the spirits, beer, and wine restaurant licenses already granted for the particular locality are adequate for the reasonable needs of the community.

(6)(a) The board may issue a caterer's endorsement to this license to allow the licensee to remove the liquor stocks at the licensed premises, for use as liquor for sale and service at event locations at a specified date and, except as provided in subsection (7) of this section, place not currently licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived. Cost of the endorsement is three hundred fifty dollars.

(b) The holder of this license with a catering endorsement shall, if requested by the board, notify the board or its designee of the date, time, place, and location of any catered event. Upon request, the licensee shall provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

(c) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on the premises of another not licensed by the board so long as there is a written agreement between the licensee and the other party to provide for ongoing catering services, the agreement contains no exclusivity clauses regarding the alcoholic beverages to be served, and the agreement is filed with the board.

(d) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on other premises operated by the licensee so long as the other premises are owned or controlled by a leasehold interest by that licensee. A duplicate license may be issued for each additional premises. A license fee of twenty dollars shall be required for such duplicate licenses.

(7) Licensees under this section that hold a caterer's endorsement are allowed to use this endorsement on a domestic winery premises or on the premises of a passenger vessel and may store liquor at such premises under conditions established by the board under the following conditions:

(a) Agreements between the domestic winery or passenger

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vessel, as the case may be, and the retail licensee shall be in writing, contain no exclusivity clauses regarding the alcoholic beverages to be served, and be filed with the board; and

(b) The domestic winery or passenger vessel, as the case may be, and the retail licensee shall be separately contracted and compensated by the persons sponsoring the event for their respective services.

Sec. 3. RCW 66.24.590 and 2021 c 6 s 14 are each amended to read as follows:

(1) There is a retailer's license to be designated as a hotel license. No license may be issued to a hotel offering rooms to its guests on an hourly basis. Food service provided for room service, banquets or conferences, or restaurant operation under this license must meet the requirements of rules adopted by the board.

(2) The hotel license authorizes the licensee to:

(a) Sell spirituous liquor, beer, and wine, by the individual glass, at retail, for consumption on the premises, including mixed drinks and cocktails compounded and mixed on the premises;

(b) Sell, at retail, from locked honor bars, in individual units, spirits not to exceed fifty milliliters, beer in individual units not to exceed twelve ounces, and wine in individual bottles not to exceed three hundred eighty-five milliliters, to registered guests of the hotel for consumption in guest rooms. The licensee must require proof of age from the guest renting a guest room and requesting the use of an honor bar. The guest must also execute an affidavit verifying that no one under twenty-one years of age will have access to the spirits, beer, and wine in the honor bar;

(c) Provide without additional charge, to overnight guests, spirits, beer, and wine by the individual serving for on-premises consumption at a specified regular date, time, and place as may be fixed by the board. Self-service by attendees is prohibited;

(d) Sell beer, including strong beer, wine, or spirits, in the manufacturer's sealed container or by the individual drink to guests through room service, or through service to occupants of private residential units which are part of the buildings or complex of buildings that include the hotel;

(e) Sell beer, including strong beer, spirits, or wine, in the manufacturer's sealed container at retail sales locations within the hotel premises;

(f) Sell beer to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap in the restaurant area by the licensee at the time of sale;

(g) Sell for on or off-premises consumption, including through room service and service to occupants of private residential units managed by the hotel, wine carrying a label exclusive to the hotel license holder;

(h) Place in guest rooms at check-in, a complimentary bottle of liquor in a manufacturer-sealed container, and make a reference to this service in promotional material.

(3) If all or any facilities for alcoholic beverage service and the preparation, cooking, and serving of food are operated under contract or joint venture agreement, the operator may hold a license separate from the license held by the operator of the hotel. Food and beverage inventory used in separate licensed operations at the hotel may not be shared and must be separately owned and stored by the separate licensees.

(4) All spirits to be sold under this license must be purchased from a spirits retailer or spirits distributor licensee of the board.

(5) All on-premises alcoholic beverage service must be done by an alcohol server as defined in RCW 66.20.300 and must comply with RCW 66.20.310.

(6)(a) The hotel license allows the licensee to remove from the liquor stocks at the licensed premises, liquor for sale and service at event locations at a specified date and place not currently

licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived.

(b) The holder of this license must, if requested by the board, notify the board or its designee of the date, time, place, and location of any event. Upon request, the licensee must provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

(c) Licensees may cater events on a domestic winery, brewery, or distillery premises.

(7) The holder of this license or its manager may furnish spirits, beer, or wine to the licensee's employees who are twenty-one years of age or older free of charge as may be required for use in connection with instruction on spirits, beer, and wine. The instruction may include the history, nature, values, and characteristics of spirits, beer, or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling spirits, beer, or wine. The licensee must use the liquor it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the licensee.

(8) Minors may be allowed in all areas of the hotel where liquor may be consumed; however, the consumption must be incidental to the primary use of the area. These areas include, but are not limited to, tennis courts, hotel lobbies, and swimming pool areas. If an area is not a mixed use area, and is primarily used for alcohol service, the area must be designated and restricted to access by persons of lawful age to purchase liquor.

(9)(a) The annual fee for this license is (~~two thousand dollars~~) \$1,000.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (9)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (9)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(10) As used in this section, "hotel," "spirits," "beer," and "wine" have the meanings defined in RCW 66.24.410 and 66.04.010.

Sec. 4. RCW 66.24.600 and 2021 c 6 s 15 are each amended to read as follows:

(1) There shall be a spirits, beer, and wine nightclub license to sell spirituous liquor by the drink, beer, and wine at retail, for consumption on the licensed premises.

(2) The license may be issued only to a person whose business includes the sale and service of alcohol to the person's customers, has food sales and service incidental to the sale and service of alcohol, and has primary business hours between 9:00 p.m. and 2:00 a.m.

(3) Minors may be allowed on the licensed premises but only in areas where alcohol is not served or consumed.

(4)(a) The annual fee for this license is ~~((two thousand dollars))~~ \$1,000. The fee for the license shall be reviewed from time to time and set at such a level sufficient to defray the cost of licensing and enforcing this licensing program. The fee shall be fixed by rule adopted by the board in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (4)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (4)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(5) Local governments may petition the board to request that further restrictions be imposed on a spirits, beer, and wine nightclub license in the interest of public safety. Examples of further restrictions a local government may request are: No minors allowed on the entire premises, submitting a security plan, or signing a good neighbor agreement with the local government.

(6) The total number of spirits, beer, and wine nightclub licenses are subject to the requirements of RCW 66.24.420(4). However, the board shall refuse a spirits, beer, and wine nightclub license to any applicant if the board determines that the spirits, beer, and wine nightclub licenses already granted for the particular locality are adequate for the reasonable needs of the community.

(7) The board may adopt rules to implement this section.

Sec. 5. RCW 66.24.655 and 2021 c 6 s 17 are each amended to read as follows:

(1)(a) There is a theater license to sell spirits, beer, including strong beer, or wine, or all, at retail, for consumption on theater premises. A spirits, beer, and wine theater license may be issued only to theaters that have no more than one hundred twenty seats per screen and that are maintained in a substantial manner as a place for preparing, cooking, and serving complete meals and providing tabletop accommodations for in-theater dining. Requirements for complete meals are the same as those adopted by the board in rules pursuant to chapter 34.05 RCW for a spirits, beer, and wine restaurant license authorized by RCW 66.24.400. The annual fee for a spirits, beer, and wine theater license is ~~((two thousand dollars))~~ \$1,000.

(b) The annual fee in (a) of this subsection is waived during the

12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) If the theater premises is to be frequented by minors, an alcohol control plan must be submitted to the board at the time of application. The alcohol control plan must be approved by the board and be prominently posted on the premises, prior to minors being allowed.

(3) For the purposes of this section:

(a) "Alcohol control plan" means a written, dated, and signed plan submitted to the board by an applicant or licensee for the entire theater premises, or rooms or areas therein, that shows where and when alcohol is permitted, where and when minors are permitted, and the control measures used to ensure that minors are not able to obtain alcohol or be exposed to environments where drinking alcohol predominates.

(b) "Theater" means a place of business where motion pictures or other primarily nonparticipatory entertainment are shown.

(4) The board must adopt rules regarding alcohol control plans and necessary control measures to ensure that minors are not able to obtain alcohol or be exposed to areas where drinking alcohol predominates. All alcohol control plans must include a requirement that any person involved in the serving of spirits, beer, and/or wine must have completed a mandatory alcohol server training program.

(5)(a) A licensee that is an entity that is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended as of January 1, 2013, may enter into arrangements with a spirits, beer, or wine manufacturer, importer, or distributor for brand advertising at the theater or promotion of events held at the theater. The financial arrangements providing for the brand advertising or promotion of events may not be used as an inducement to purchase the products of the manufacturer, importer, or distributor entering into the arrangement and such arrangements may not result in the exclusion of brands or products of other companies.

(b) The arrangements allowed under this subsection (5) are an exception to arrangements prohibited under RCW 66.28.305. The board must monitor the impacts of these arrangements. The board may conduct audits of a licensee and the affiliated business to determine compliance with this subsection (5). Audits may include, but are not limited to: Product selection at the facility; purchase patterns of the licensee; contracts with the spirits, beer, or wine manufacturer, importer, or distributor; and the amount allocated or used for spirits, beer, or wine advertising by the licensee, affiliated business, manufacturer, importer, or

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distributor under the arrangements.

(6) The maximum penalties prescribed by the board in WAC 314-29-020 relating to fines and suspensions are double for violations involving minors or the failure to follow the alcohol control plan with respect to theaters licensed under this section.

Sec. 6. RCW 66.24.690 and 2021 c 6 s 19 are each amended to read as follows:

(1) There shall be a caterer's license to sell spirits, beer, and wine, by the individual serving, at retail, for consumption on the premises at an event location that is either owned, leased, or operated either by the caterer or the sponsor of the event for which catering services are being provided. If the event is open to the public, it must be sponsored by a society or organization as defined in RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined in RCW 66.24.375 is waived. The licensee must serve food as required by rules of the board.

(2)(a) The annual fee is two hundred dollars for the beer license, two hundred dollars for the wine license, or four hundred dollars for a combination beer and wine license. The annual fee for a combined beer, wine, and spirits license is ~~((one thousand dollars))~~ \$500.

(b) The annual fees in (a) of this subsection are waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (2)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (2)(b).

(c) The waivers in (b) of this subsection do not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(3) The holder of this license shall notify the board or its designee of the date, time, place, and location of any catered event at which liquor will be served, sold, or consumed. The board shall create rules detailing notification requirements. Upon request, the licensee shall provide to the board all necessary or requested information concerning the individual, society, or organization that will be holding the catered function at which the caterer's liquor license will be utilized.

(4) The holder of this license may, under conditions established by the board, store liquor on other premises operated by the licensee so long as the other premises are owned or controlled by a leasehold interest by that licensee.

(5) The holder of this license is prohibited from catering events at locations that are already licensed to sell liquor under this chapter.

(6) The holder of this license is responsible for all sales, service, and consumption of alcohol at the location of the catered event.

Sec. 7. RCW 66.24.140 and 2021 c 6 s 1 are each amended to read as follows:

(1) There is a license to distillers, including blending, rectifying, and bottling; fee ~~((two thousand dollars))~~ \$1,000 per annum, unless provided otherwise as follows:

(a) For distillers producing one hundred fifty thousand gallons or less of spirits with at least half of the raw materials used in the production grown in Washington, the license fee must be reduced to one hundred dollars per annum;

(b) The board must license stills used and to be used solely and only by a commercial chemist for laboratory purposes, and not for the manufacture of liquor for sale, at a fee of twenty dollars per annum;

(c) The board must license stills used and to be used solely and only for laboratory purposes in any school, college, or educational institution in the state, without fee;

(d) The board must license stills that have been duly licensed as fruit and/or wine distilleries by the federal government, used and to be used solely as fruit and/or wine distilleries in the production of fruit brandy and wine spirits, at a fee of two hundred dollars per annum;

(e) The annual fees in this subsection (1) are waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(e); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(e);

(f) The waivers in (e) of this subsection do not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220; and

(g) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (e) of this subsection for the reasons described in (f) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) Any distillery licensed under this section may:

(a) Sell, for off-premises consumption, spirits of the distillery's own production, spirits produced by another distillery or craft distillery licensed in this state, or vermouth or sparkling wine products produced by a licensee in this state. A distillery selling spirits or other alcohol authorized under this subsection must comply with the applicable laws and rules relating to retailers for those products;

(b) Contract distilled spirits for, and sell contract distilled spirits to, holders of distillers' or manufacturers' licenses, including licenses issued under RCW 66.24.520, or for export; and

(c) Serve samples of spirits for free or for a charge, and sell servings of spirits, vermouth, and sparkling wine to customers for on-premises consumption, at the premises of the distillery indoors, outdoors, or in any combination thereof, and at the distillery's off-site tasting rooms in accordance with this chapter, subject to the following conditions:

(i) A distillery may provide to customers, for free or for a charge, for on-premises consumption, spirits samples that are

one-half ounce or less per sample of spirits, and that may be adulterated with water, ice, other alcohol entitled to be served or sold on the licensed premises under this section, or nonalcoholic mixers;

(ii) A distillery may sell, for on-premises consumption, servings of spirits of the distillery's own production or spirits produced by another distillery or craft distillery licensed in this state, which must be adulterated with water, ice, other alcohol entitled to be sold or served on the licensed premises, or nonalcoholic mixers if the revenue derived from the sale of spirits for on-premises consumption under this subsection (2)(c)(ii) does not comprise more than thirty percent of the overall gross revenue earned in the tasting room during the calendar year. Any distiller who sells adulterated products under this subsection, must file an annual report with the board that summarizes the distiller's revenue sources; and

(iii) A distillery may sell, for on-premises consumption, servings of vermouth or sparkling wine products produced by a licensee in this state.

(3)(a) If a distillery provides or sells spirits or other alcohol products authorized to be sold or provided to customers for on-premises or off-premises consumption that are produced by another distillery, craft distillery, or licensee in this state, then at any one time no more than twenty-five percent of the alcohol stock-keeping units offered or sold by the distillery at its distillery premises and at any off-site tasting rooms licensed under RCW 66.24.146 may be vermouth, sparkling wine, or spirits made by another distillery, craft distillery, or licensee in this state. If a distillery sells fewer than twenty alcohol stock-keeping units of products of its own production, it may sell up to five alcohol stock-keeping units of vermouth, sparkling wine, or spirits produced by another distillery, craft distillery, or licensee in this state.

(b) A person is limited to receiving or purchasing, for on-premises consumption, no more than two ounces total of spirits that are unadulterated. Any additional spirits purchased for on-premises consumption must be adulterated as authorized in this section.

(c)(i) No person under twenty-one years of age may be on the premises of a distillery tasting room, including an off-site tasting room licensed under RCW 66.24.146, unless they are accompanied by their parent or legal guardian.

(ii) Every distillery tasting room, including the off-site tasting rooms licensed under RCW 66.24.146, where alcohol is sampled, sold, or served, must include a designated area where persons under twenty-one years of age are allowed to enter. Such location may be in a separate room or a designated area within the tasting room separated from the remainder of the tasting room space as authorized by the board.

(iii) Except for (c)(iv) of this subsection, or an event where a private party has secured a private banquet permit, no person under twenty-one years of age may be on the distillery premises, or the off-site tasting rooms licensed under RCW 66.24.146, past 9:00 p.m.

(iv) Notwithstanding the limitations of (c)(iii) of this subsection, persons under twenty-one years of age who are children of owners, operators, or managers of a distillery or an off-site tasting room licensed under RCW 66.24.146, may be in any area of a distillery, tasting room, or an off-site tasting room licensed under RCW 66.24.146, provided they must be under the direct supervision of their parent or legal guardian while on the premises.

(d) Any person serving or selling spirits or other alcohol authorized to be served or sold by a distillery must obtain a class 12 alcohol server permit.

(e) A distillery may sell nonalcoholic products at retail.

Sec. 8. RCW 66.24.146 and 2021 c 6 s 2 are each amended to read as follows:

(1) There is a tasting room license available to distillery and craft distillery licensees. A tasting room license authorizes the operation of an off-site tasting room, in addition to a tasting room attached to the distillery's or craft distillery's production facility, at which the licensee may sample, serve, and sell spirits and alcohol products authorized to be sampled, served, and sold under RCW 66.24.140 and 66.24.145, for on-premises and off-premises consumption, subject to the same limitations as provided in RCW 66.24.140 and 66.24.145.

(2)(a) A distillery or craft distillery licensed production facility is eligible for no more than two off-site tasting room licenses located in this state, which may be indoors, or outdoors or a combination thereof, and which shall be administratively tied to a licensed production facility. A separate license is required for the operation of each off-site tasting room. The fee for each off-site tasting room license is ~~((two thousand dollars))~~ \$1,000 per annum. No additional license is required for a distillery or craft distillery to sample, serve, and sell spirits and alcohol to customers in a tasting room on the distillery or craft distillery premises as authorized under this section, RCW 66.24.1472, 66.24.140, 66.24.145, 66.28.040, 66.24.630, and 66.28.310. Off-site tasting rooms may have a section identified and segregated as federally bonded spaces for the storage of bulk or packaged spirits. Product of the licensee's production may be bottled or packaged in the space.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (2)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (2)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

Sec. 9. RCW 66.24.170 and 2021 c 6 s 3 are each amended to read as follows:

(1)(a) There is a license for domestic wineries; fee to be computed only on the liters manufactured: Less than two hundred fifty thousand liters per year, ~~((one hundred dollars))~~ \$50 per year; and two hundred fifty thousand liters or more per year, ~~((four hundred dollars))~~ \$200 per year.

(b) The annual fees in (a) of this subsection are waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

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(c) The waivers in (b) of this subsection do not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) The license allows for the manufacture of wine in Washington state from grapes or other agricultural products.

(3) Any domestic winery licensed under this section may also act as a retailer of wine of its own production. Any domestic winery licensed under this section may act as a distributor of its own production. Notwithstanding any language in this title to the contrary, a domestic winery may use a common carrier to deliver up to one hundred cases of its own production, in the aggregate, per month to licensed Washington retailers. A domestic winery may not arrange for any such common carrier shipments to licensed retailers of wine not of its own production. Except as provided in this section, any winery operating as a distributor and/or retailer under this subsection must comply with the applicable laws and rules relating to distributors and/or retailers, except that a winery operating as a distributor may maintain a warehouse off the premises of the winery for the distribution of wine of its own production provided that: (a) The warehouse has been approved by the board under RCW 66.24.010; and (b) the number of warehouses off the premises of the winery does not exceed one.

(4)(a) A domestic winery licensed under this section, at locations separate from any of its production or manufacturing sites, may serve samples of its own products, with or without charge, may sell wine of its own production at retail, and may sell for off-premises consumption wines of its own production in kegs or sanitary containers meeting the applicable requirements of federal law brought to the premises by the purchaser or furnished by the licensee and filled at the tap at the time of sale, provided that: (i) Each additional location has been approved by the board under RCW 66.24.010; (ii) the total number of additional locations does not exceed four; (iii) a winery may not act as a distributor at any such additional location; and (iv) any person selling or serving wine at an additional location for on-premises consumption must obtain a class 12 or class 13 alcohol server permit. Each additional location is deemed to be part of the winery license for the purpose of this title. At additional locations operated by multiple wineries under this section, if the board cannot connect a violation of RCW 66.44.200 or 66.44.270 to a single licensee, the board may hold all licensees operating the additional location jointly liable. Nothing in this subsection may be construed to prevent a domestic winery from holding multiple domestic winery licenses.

(b) A customer of a domestic winery may remove from the premises of the domestic winery or from a tasting room location approved under (a) of this subsection, recorked or recapped in its original container, any portion of wine purchased for on-premises consumption.

(5)(a) A domestic winery licensed under this section may apply to the board for an endorsement to sell wine of its own production

at retail for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is seventy-five dollars. An endorsement issued pursuant to this subsection does not count toward the four additional retail locations limit specified in this section.

(b) For each month during which a domestic winery will sell wine at a qualifying farmers market, the winery must provide the board or its designee a list of the dates, times, and locations at which bottled wine may be offered for sale. This list must be received by the board before the winery may offer wine for sale at a qualifying farmers market.

(c) The wine sold at qualifying farmers markets must be made entirely from grapes grown in a recognized Washington appellation or from other agricultural products grown in this state.

(d) Each approved location in a qualifying farmers market is deemed to be part of the winery license for the purpose of this title. The approved locations under an endorsement granted under this subsection include tasting or sampling privileges subject to the conditions pursuant to RCW 66.24.175. The winery may not store wine at a farmers market beyond the hours that the winery offers bottled wine for sale. The winery may not act as a distributor from a farmers market location.

(e) Before a winery may sell bottled wine at a qualifying farmers market, the farmers market must apply to the board for authorization for any winery with an endorsement approved under this subsection to sell bottled wine at retail at the farmers market. This application shall include, at a minimum: (i) A map of the farmers market showing all booths, stalls, or other designated locations at which an approved winery may sell bottled wine; and (ii) the name and contact information for the on-site market managers who may be contacted by the board or its designee to verify the locations at which bottled wine may be sold. Before authorizing a qualifying farmers market to allow an approved winery to sell bottled wine at retail at its farmers market location, the board must notify the persons or entities of such application for authorization pursuant to RCW 66.24.010 (8) and (9). An authorization granted under this subsection (5)(e) may be withdrawn by the board for any violation of this title or any rules adopted under this title.

(f) The board may adopt rules establishing the application and approval process under this section and such additional rules as may be necessary to implement this section.

(g) For the purposes of this subsection:

(i) "Qualifying farmers market" means an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this state directly to the consumer under conditions that meet the following minimum requirements:

(A) There are at least five participating vendors who are farmers selling their own agricultural products;

(B) The total combined gross annual sales of vendors who are farmers exceeds the total combined gross annual sales of vendors who are processors or resellers. However, if a farmers market does not satisfy this subsection (5)(g)(i)(B), a farmers market is still considered a "qualifying farmers market" if the total combined gross annual sales of farmers and processors at the farmers market is one million dollars or more;

(C) The total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;

(D) The sale of imported items and secondhand items by any vendor is prohibited; and

(E) No vendor is a franchisee.

(ii) "Farmer" means a natural person who sells, with or without

processing, agricultural products that he or she raises on land he or she owns or leases in this state or in another state's county that borders this state.

(iii) "Processor" means a natural person who sells processed food that he or she has personally prepared on land he or she owns or leases in this state or in another state's county that borders this state.

(iv) "Reseller" means a natural person who buys agricultural products from a farmer and resells the products directly to the consumer.

(6) Wine produced in Washington state by a domestic winery licensee may be shipped out-of-state for the purpose of making it into sparkling wine and then returned to such licensee for resale. Such wine is deemed wine manufactured in the state of Washington for the purposes of RCW 66.24.206, and shall not require a special license.

(7) During an event held by a nonprofit holding a special occasion license issued under RCW 66.24.380, a domestic winery licensed under this section may take orders, either in writing or electronically, and accept payment for wines of its own production under the following conditions:

(a) Wine produced by the domestic winery may be served for on-premises consumption by the special occasion licensee;

(b) The domestic winery delivers wine to the consumer on a date after the conclusion of the special occasion event;

(c) The domestic winery delivers wine to the consumer at a location different from the location at which the special occasion event is held;

(d) The domestic winery complies with all requirements in chapter 66.20 RCW for direct sale of wine to consumers;

(e) The wine is not sold for resale; and

(f) The domestic winery is entitled to all proceeds from the sale and delivery of its wine to a consumer after the conclusion of the special occasion event, but may enter into an agreement to share a portion of the proceeds of these sales with the special occasion licensee licensed under RCW 66.24.380.

Sec. 10. RCW 66.24.240 and 2021 c 6 s 4 are each amended to read as follows:

(1)(a) There shall be a license for domestic breweries; fee to be ~~((two thousand dollars))~~ \$1,000 for production of sixty thousand barrels or more of malt liquor per year.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) Any domestic brewery, except for a brand owner of malt

beverages under RCW 66.04.010(7), licensed under this section may also act as a distributor and/or retailer for beer of its own production. Any domestic brewery operating as a distributor and/or retailer under this subsection shall comply with the applicable laws and rules relating to distributors and/or retailers. A domestic brewery holding a spirits, beer, and wine restaurant license may sell beer of its own production for off-premises consumption from its restaurant premises in kegs or in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap by the licensee at the time of sale.

(3) Any domestic brewery licensed under this section may also sell beer produced by another domestic brewery or a microbrewery for on and off-premises consumption from its premises as long as the other breweries' brands do not exceed twenty-five percent of the domestic brewery's on-tap offering of its own brands.

(4) A domestic brewery may hold up to four retail licenses to operate an on or off-premises tavern, beer and/or wine restaurant, spirits, beer, and wine restaurant, or any combination thereof. This retail license is separate from the brewery license. A brewery that holds a tavern license, a spirits, beer, and wine restaurant license, or a beer and/or wine restaurant license shall hold the same privileges and endorsements as permitted under RCW 66.24.320, 66.24.330, and 66.24.420.

(5) Any domestic brewery licensed under this section may contract-produce beer for a brand owner of malt beverages defined under RCW 66.04.010(7), and this contract-production is not a sale for the purposes of RCW 66.28.170 and 66.28.180.

(6)(a) A domestic brewery licensed under this section and qualified for a reduced rate of taxation pursuant to RCW 66.24.290(3)(b) may apply to the board for an endorsement to sell bottled beer of its own production at retail for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is seventy-five dollars.

(b) For each month during which a domestic brewery will sell beer at a qualifying farmers market, the domestic brewery must provide the board or its designee a list of the dates, times, and locations at which bottled beer may be offered for sale. This list must be received by the board before the domestic brewery may offer beer for sale at a qualifying farmers market.

(c) The beer sold at qualifying farmers markets must be produced in Washington.

(d) Each approved location in a qualifying farmers market is deemed to be part of the domestic brewery license for the purpose of this title. The approved locations under an endorsement granted under this subsection do not include the tasting or sampling privilege of a domestic brewery. The domestic brewery may not store beer at a farmers market beyond the hours that the domestic brewery offers bottled beer for sale. The domestic brewery may not act as a distributor from a farmers market location.

(e) Before a domestic brewery may sell bottled beer at a qualifying farmers market, the farmers market must apply to the board for authorization for any domestic brewery with an endorsement approved under this subsection to sell bottled beer at retail at the farmers market. This application shall include, at a minimum: (i) A map of the farmers market showing all booths, stalls, or other designated locations at which an approved domestic brewery may sell bottled beer; and (ii) the name and contact information for the on-site market managers who may be contacted by the board or its designee to verify the locations at which bottled beer may be sold. Before authorizing a qualifying farmers market to allow an approved domestic brewery to sell bottled beer at retail at its farmers market location, the board shall notify the persons or entities of such application for authorization pursuant to RCW 66.24.010 (8) and (9). An authorization granted

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under this subsection (6)(e) may be withdrawn by the board for any violation of this title or any rules adopted under this title.

(f) The board may adopt rules establishing the application and approval process under this section and such additional rules as may be necessary to implement this section.

(g) For the purposes of this subsection:

(i) "Qualifying farmers market" means an entity that sponsors a regular assembly of vendors at a defined location for the purpose of promoting the sale of agricultural products grown or produced in this state directly to the consumer under conditions that meet the following minimum requirements:

(A) There are at least five participating vendors who are farmers selling their own agricultural products;

(B) The total combined gross annual sales of vendors who are farmers exceeds the total combined gross annual sales of vendors who are processors or resellers;

(C) The total combined gross annual sales of vendors who are farmers, processors, or resellers exceeds the total combined gross annual sales of vendors who are not farmers, processors, or resellers;

(D) The sale of imported items and secondhand items by any vendor is prohibited; and

(E) No vendor is a franchisee.

(ii) "Farmer" means a natural person who sells, with or without processing, agricultural products that he or she raises on land he or she owns or leases in this state or in another state's county that borders this state.

(iii) "Processor" means a natural person who sells processed food that he or she has personally prepared on land he or she owns or leases in this state or in another state's county that borders this state.

(iv) "Reseller" means a natural person who buys agricultural products from a farmer and resells the products directly to the consumer.

(7) The state board of health shall adopt rules to allow dogs on the premises of licensed domestic breweries that do not provide food service subject to a food service permit requirement.

Sec. 11. RCW 66.24.244 and 2021 c 6 s 5 are each amended to read as follows:

(1)(a) There shall be a license for microbreweries; fee to be ~~((one hundred dollars))~~ \$50 for production of less than sixty thousand barrels of malt liquor, including strong beer, per year.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the

request is made.

(2)(a) Any microbrewery licensed under this section may also act as a distributor and/or retailer for beer and strong beer of its own production.

(b) Any microbrewery operating as a distributor and/or retailer under this subsection must comply with the applicable laws and rules relating to distributors and/or retailers, except that a microbrewery operating as a distributor may maintain a warehouse off the premises of the microbrewery for the distribution of beer provided that:

(i) The warehouse has been approved by the board under RCW 66.24.010; and

(ii) The number of warehouses off the premises of the microbrewery does not exceed one.

(c) A microbrewery holding a spirits, beer, and wine restaurant license may sell beer of its own production for off-premises consumption from its restaurant premises in kegs or in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap by the licensee at the time of sale.

(3) Any microbrewery licensed under this section may also sell from its premises for on-premises and off-premises consumption:

(a) Beer produced by another microbrewery or a domestic brewery as long as the other breweries' brands do not exceed twenty-five percent of the microbrewery's on-tap offerings; or

(b) Cider produced by a domestic winery.

(4) The board may issue up to four retail licenses allowing a microbrewery to operate an on or off-premises tavern, beer and/or wine restaurant, spirits, beer, and wine restaurant, or any combination thereof.

(5) A microbrewery that holds a tavern license, spirits, beer, and wine restaurant license, or a beer and/or wine restaurant license holds the same privileges and endorsements as permitted under RCW 66.24.320, 66.24.330, and 66.24.420.

(6)(a) A microbrewery licensed under this section may apply to the board for an endorsement to sell bottled beer of its own production at retail for off-premises consumption at a qualifying farmers market. The annual fee for this endorsement is seventy-five dollars. However, strong beer may not be sold at a farmers market or under any endorsement which may authorize microbreweries to sell beer at farmers markets.

(b) For each month during which a microbrewery will sell beer at a qualifying farmers market, the microbrewery must provide the board or its designee a list of the dates, times, and locations at which bottled beer may be offered for sale. This list must be received by the board before the microbrewery may offer beer for sale at a qualifying farmers market.

(c) Any person selling or serving beer must obtain a class 12 or class 13 alcohol server permit.

(d) The beer sold at qualifying farmers markets must be produced in Washington.

(e) Each approved location in a qualifying farmers market is deemed to be part of the microbrewery license for the purpose of this title. The approved locations under an endorsement granted under this subsection (6) include tasting or sampling privileges subject to the conditions pursuant to RCW 66.24.175. The microbrewery may not store beer at a farmers market beyond the hours that the microbrewery offers bottled beer for sale. The microbrewery may not act as a distributor from a farmers market location.

(f) Before a microbrewery may sell bottled beer at a qualifying farmers market, the farmers market must apply to the board for authorization for any microbrewery with an endorsement approved under this subsection (6) to sell bottled beer at retail at the farmers market. This application must include, at a minimum:

(i) A map of the farmers market showing all booths, stalls, or other designated locations at which an approved microbrewery may sell bottled beer; and (ii) the name and contact information for the on-site market managers who may be contacted by the board or its designee to verify the locations at which bottled beer may be sold. Before authorizing a qualifying farmers market to allow an approved microbrewery to sell bottled beer at retail at its farmers market location, the board must notify the persons or entities of the application for authorization pursuant to RCW 66.24.010 (8) and (9). An authorization granted under this subsection (6)(f) may be withdrawn by the board for any violation of this title or any rules adopted under this title.

(g) The board may adopt rules establishing the application and approval process under this section and any additional rules necessary to implement this section.

(h) For the purposes of this subsection (6):

(i) "Qualifying farmers market" has the same meaning as defined in RCW 66.24.170.

(ii) "Farmer" means a natural person who sells, with or without processing, agricultural products that he or she raises on land he or she owns or leases in this state or in another state's county that borders this state.

(iii) "Processor" means a natural person who sells processed food that he or she has personally prepared on land he or she owns or leases in this state or in another state's county that borders this state.

(iv) "Reseller" means a natural person who buys agricultural products from a farmer and resells the products directly to the consumer.

(7) Any microbrewery licensed under this section may contract-produce beer for another microbrewer. This contract-production is not a sale for the purposes of RCW 66.28.170 and 66.28.180.

(8) The state board of health shall adopt rules to allow dogs on the premises of licensed microbreweries that do not provide food service subject to a food service permit requirement.

Sec. 12. RCW 66.24.320 and 2021 c 6 s 6 are each amended to read as follows:

There shall be a beer and/or wine restaurant license to sell beer, including strong beer, or wine, or both, at retail, for consumption on the premises. A patron of the licensee may remove from the premises, recorked or recapped in its original container, any portion of wine or sake that was purchased for consumption with a meal.

(1)(a) The annual fee shall be ~~((two hundred dollars))~~ \$100 for the beer license, ~~((two hundred dollars))~~ \$100 for the wine license, or ~~((four hundred dollars))~~ \$200 for a combination beer and wine license.

(b) The annual fees in (a) of this subsection are waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waivers in (b) of this subsection do not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and

the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2)(a) The board may issue a caterer's endorsement to this license to allow the licensee to remove from the liquor stocks at the licensed premises, only those types of liquor that are authorized under the on-premises license privileges for sale and service at event locations at a specified date and, except as provided in subsection (3) of this section, place not currently licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived. Cost of the endorsement is three hundred fifty dollars.

(b) The holder of this license with a catering endorsement shall, if requested by the board, notify the board or its designee of the date, time, place, and location of any catered event. Upon request, the licensee shall provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

(c) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on the premises of another not licensed by the board so long as there is a written agreement between the licensee and the other party to provide for ongoing catering services, the agreement contains no exclusivity clauses regarding the alcoholic beverages to be served, and the agreement is filed with the board.

(d) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on other premises operated by the licensee so long as the other premises are owned or controlled by a leasehold interest by that licensee. A duplicate license may be issued for each additional premises. A license fee of twenty dollars shall be required for such duplicate licenses.

(3) Licensees under this section that hold a caterer's endorsement are allowed to use this endorsement on a domestic winery premises or on the premises of a passenger vessel and may store liquor at such premises under conditions established by the board under the following conditions:

(a) Agreements between the domestic winery or the passenger vessel, as the case may be, and the retail licensee shall be in writing, contain no exclusivity clauses regarding the alcoholic beverages to be served, and be filed with the board; and

(b) The domestic winery or passenger vessel, as the case may be, and the retail licensee shall be separately contracted and compensated by the persons sponsoring the event for their respective services.

(4) The holder of this license or its manager may furnish beer or wine to the licensee's employees free of charge as may be required for use in connection with instruction on beer and wine. The instruction may include the history, nature, values, and characteristics of beer or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling beer or wine. The beer and/or wine licensee must use the beer or wine it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the beer and/or wine licensee.

(5) If the license is issued to a person who contracts with the Washington state ferry system to provide food and alcohol service on a designated ferry route, the license shall cover any vessel

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assigned to the designated route. A separate license is required for each designated ferry route.

Sec. 13. RCW 66.24.330 and 2021 c 6 s 7 are each amended to read as follows:

(1) There is a beer and wine retailer's license to be designated as a tavern license to sell beer, including strong beer, or wine, or both, at retail, for consumption on the premises. Such licenses may be issued only to a person operating a tavern that may be frequented only by persons twenty-one years of age and older.

(2)(a) The annual fee for the license is ~~((two hundred dollars))~~ \$100 for the beer license, ~~((two hundred dollars))~~ \$100 for the wine license, or ~~((four hundred dollars))~~ \$200 for a combination beer and wine license. Licensees who have a fee increase of more than one hundred dollars as a result of this change shall have their fees increased fifty percent of the amount the first renewal year and the remaining amount beginning with the second renewal period. New licensees obtaining a license after July 1, 1998, must pay the full amount of ~~((four hundred dollars))~~ \$200.

(b) The annual fees in (a) of this subsection are waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (2)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (2)(b).

(c) The waivers in (b) of this subsection do not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(3)(a) The board may issue a caterer's endorsement to this license to allow the licensee to remove from the liquor stocks at the licensed premises, only those types of liquor that are authorized under the on-premises license privileges for sale and service at event locations at a specified date and, except as provided in subsection (4) of this section, place not currently licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived. Cost of the endorsement is three hundred fifty dollars.

(b) The holder of this license with a catering endorsement must, if requested by the board, notify the board or its designee of the date, time, place, and location of any catered event. Upon request, the licensee must provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

(c) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on the premises of another not licensed by the board so long as there is

a written agreement between the licensee and the other party to provide for ongoing catering services, the agreement contains no exclusivity clauses regarding the alcoholic beverages to be served, and the agreement is filed with the board.

(d) The holder of this license with a caterer's endorsement may, under conditions established by the board, store liquor on other premises operated by the licensee so long as the other premises are owned or controlled by a leasehold interest by that licensee. A duplicate license may be issued for each additional premises. A license fee of twenty dollars is required for such duplicate licenses.

(4) Licensees under this section that hold a caterer's endorsement are allowed to use this endorsement on a domestic winery premises and may store liquor at such premises under conditions established by the board under the following conditions:

(a) Agreements between the domestic winery and the retail licensee must be in writing, contain no exclusivity clauses regarding the alcoholic beverages to be served, and be filed with the board; and

(b) The domestic winery and the retail licensee may be separately contracted and compensated by the persons sponsoring the event for their respective services.

(5) The holder of this license or its manager may furnish beer or wine to the licensee's employees free of charge as may be required for use in connection with instruction on beer and wine. The instruction may include the history, nature, values, and characteristics of beer or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling beer or wine. The tavern licensee must use the beer or wine it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the tavern licensee.

(6) Any person serving liquor at a catered event on behalf of a licensee with a caterer's endorsement under this section must be an employee of the licensee and must possess a class 12 alcohol server permit as required under RCW 66.20.310.

(7) The board may issue rules as necessary to implement the requirements of this section.

Sec. 14. RCW 66.24.350 and 2021 c 6 s 8 are each amended to read as follows:

(1) There shall be a beer retailer's license to be designated as a snack bar license to sell beer by the opened bottle or can at retail, for consumption upon the premises only, such license to be issued to places where the sale of beer is not the principal business conducted; fee ~~((one hundred twenty five dollars))~~ \$62.50 per year.

(2)(a) The annual fee in subsection (1) of this section is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (2)(a); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (2)(a).

(b) The waiver in (a) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(c) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of

persons that they have determined to be ineligible for a fee waiver under (a) of this subsection for the reasons described in (b) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

Sec. 15. RCW 66.24.495 and 2021 c 176 s 5234 and 2021 c 6 s 10 are each reenacted and amended to read as follows:

(1)(a) There shall be a license to be designated as a nonprofit arts organization license. This shall be a special license to be issued to any nonprofit arts organization which sponsors and presents productions or performances of an artistic or cultural nature in a specific theater or other appropriate designated indoor premises approved by the board. The license shall permit the licensee to sell liquor to patrons of productions or performances for consumption on the premises at these events. The fee for the license shall be ~~((two hundred fifty dollars))~~ \$125 per annum.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) For the purposes of this section, the term "nonprofit arts organization" means an organization which is organized and operated for the purpose of providing artistic or cultural exhibitions, presentations, or performances or cultural or art education programs, as defined in subsection (3) of this section, for viewing or attendance by the general public. The organization must be a not-for-profit corporation under chapter ~~((24.03))~~ 24.03A RCW and managed by a governing board of not less than eight individuals none of whom is a paid employee of the organization or by a corporation sole under chapter 24.12 RCW. In addition, the corporation must satisfy the following conditions:

(a) No part of its income may be paid directly or indirectly to its members, stockholders, officers, directors, or trustees except in the form of services rendered by the corporation in accordance with its purposes and bylaws;

(b) Salary or compensation paid to its officers and executives must be only for actual services rendered, and at levels comparable to the salary or compensation of like positions within the state;

(c) Assets of the corporation must be irrevocably dedicated to the activities for which the license is granted and, on the liquidation, dissolution, or abandonment by the corporation, may not inure directly or indirectly to the benefit of any member or individual except a nonprofit organization, association, or corporation;

(d) The corporation must be duly licensed or certified when

licensing or certification is required by law or regulation;

(e) The proceeds derived from sales of liquor, except for reasonable operating costs, must be used in furtherance of the purposes of the organization;

(f) Services must be available regardless of race, color, national origin, or ancestry; and

(g) The board shall have access to its books in order to determine whether the corporation is entitled to a license.

(3) The term "artistic or cultural exhibitions, presentations, or performances or cultural or art education programs" includes and is limited to:

(a) An exhibition or presentation of works of art or objects of cultural or historical significance, such as those commonly displayed in art or history museums;

(b) A musical or dramatic performance or series of performances; or

(c) An educational seminar or program, or series of such programs, offered by the organization to the general public on an artistic, cultural, or historical subject.

Sec. 16. RCW 66.24.540 and 2021 c 6 s 11 are each amended to read as follows:

(1) There is a retailer's license to be designated as a motel license. The motel license may be issued to a motel regardless of whether it holds any other class of license under this title. No license may be issued to a motel offering rooms to its guests on an hourly basis. The license authorizes the licensee to:

(a) Sell, at retail, in locked honor bars, spirits in individual bottles not to exceed fifty milliliters, beer in individual cans or bottles not to exceed twelve ounces, and wine in individual bottles not to exceed one hundred eighty-seven milliliters, to registered guests of the motel for consumption in guest rooms.

(i) Each honor bar must also contain snack foods. No more than one-half of the guest rooms may have honor bars.

(ii) All spirits to be sold under the license must be purchased from a spirits retailer or a spirits distributor licensee of the board.

(iii) The licensee must require proof of age from the guest renting a guest room and requesting the use of an honor bar. The guest must also execute an affidavit verifying that no one under twenty-one years of age has access to the spirits, beer, and wine in the honor bar.

(b) Provide without additional charge, to overnight guests of the motel, spirits, beer, and wine by the individual serving for on-premises consumption at a specified regular date, time, and place as may be fixed by the board. Self-service by attendees is prohibited. All spirits, beer, and wine service must be done by an alcohol server as defined in RCW 66.20.300 and comply with RCW 66.20.310.

(2)(a) The annual fee for a motel license is ~~((five hundred dollars))~~ \$250.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (2)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (2)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

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(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(3) For the purposes of this section, "motel" means a transient accommodation licensed under chapter 70.62 RCW.

Sec. 17. RCW 66.24.570 and 2021 c 6 s 12 are each amended to read as follows:

(1)(a) There is a license for sports entertainment facilities to be designated as a sports entertainment facility license to sell beer, wine, and spirits at retail, for consumption upon the premises only, the license to be issued to the entity providing food and beverage service at a sports entertainment facility as defined in this section. The cost of the license is ~~((two thousand five hundred dollars))~~ \$1,250 per annum.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) For purposes of this section, a sports entertainment facility includes a publicly or privately owned arena, coliseum, stadium, or facility where sporting events are presented for a price of admission. The facility does not have to be exclusively used for sporting events.

(3) The board may impose reasonable requirements upon a licensee under this section, such as requirements for the availability of food and victuals including but not limited to hamburgers, sandwiches, salads, or other snack food. The board may also restrict the type of events at a sports entertainment facility at which beer, wine, and spirits may be served. When imposing conditions for a licensee, the board must consider the seating accommodations, eating facilities, and circulation patterns in such a facility, and other amenities available at a sports entertainment facility.

(4)(a) The board may issue a caterer's endorsement to the license under this section to allow the licensee to remove from the liquor stocks at the licensed premises, for use as liquor for sale and service at event locations at a specified date and place not currently licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or

organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived. Cost of the endorsement is three hundred fifty dollars.

(b) The holder of this license with catering endorsement shall, if requested by the board, notify the board or its designee of the date, time, place, and location of any catered event. Upon request, the licensee shall provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

(5) The board may issue an endorsement to the beer, wine, and spirits sports entertainment facility license that allows the holder of a beer, wine, and spirits sports entertainment facility license to sell for off-premises consumption wine vinted and bottled in the state of Washington and carrying a label exclusive to the license holder selling the wine. Spirits and beer may not be sold for off-premises consumption under this section. The annual fee for the endorsement under this section is one hundred twenty dollars.

(6)(a) A licensee and an affiliated business may enter into arrangements with a manufacturer, importer, or distributor for brand advertising at the sports entertainment facility or promotion of events held at the sports entertainment facility, with a capacity of five thousand people or more. The financial arrangements providing for the brand advertising or promotion of events shall not be used as an inducement to purchase the products of the manufacturer, importer, or distributor entering into the arrangement nor shall it result in the exclusion of brands or products of other companies.

(b) The arrangements allowed under this subsection (6) are an exception to arrangements prohibited under RCW 66.28.305. The board shall monitor the impacts of these arrangements. The board may conduct audits of the licensee and the affiliated business to determine compliance with this subsection (6). Audits may include but are not limited to product selection at the facility; purchase patterns of the licensee; contracts with the liquor manufacturer, importer, or distributor; and the amount allocated or used for liquor advertising by the licensee, affiliated business, manufacturer, importer, or distributor under the arrangements.

(c) The board shall report to the appropriate committees of the legislature by December 30, 2008, and biennially thereafter, on the impacts of arrangements allowed between sports entertainment licensees and liquor manufacturers, importers, and distributors for brand advertising and promotion of events at the facility.

Sec. 18. RCW 66.24.580 and 2021 c 6 s 13 are each amended to read as follows:

(1) A public house license allows the licensee:

(a) To annually manufacture no less than two hundred fifty gallons and no more than two thousand four hundred barrels of beer on the licensed premises;

(b) To sell product, that is produced on the licensed premises, at retail on the licensed premises for consumption on the licensed premises;

(c) To sell beer or wine not of its own manufacture for consumption on the licensed premises if the beer or wine has been purchased from a licensed beer or wine wholesaler;

(d) To apply for and, if qualified and upon the payment of the appropriate fee, be licensed as a spirits, beer, and wine restaurant to do business at the same location. This fee is in addition to the fee charged for the basic public house license.

(2) RCW 66.28.305 applies to a public house license.

(3) A public house licensee must pay all applicable taxes on production as are required by law, and all appropriate taxes must be paid for any product sold at retail on the licensed premises.

(4) The employees of the licensee must comply with the

provisions of mandatory server training in RCW 66.20.300 through 66.20.350.

(5) The holder of a public house license may not hold a wholesaler's or importer's license, act as the agent of another manufacturer, wholesaler, or importer, or hold a brewery or winery license.

(6)(a) The annual license fee for a public house is (~~one thousand dollars~~) \$500.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (6)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (6)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(7) The holder of a public house license may hold other licenses at other locations if the locations are approved by the board.

(8) Existing holders of annual retail liquor licenses may apply for and, if qualified, be granted a public house license at one or more of their existing liquor licensed locations without discontinuing business during the application or construction stages.

Sec. 19. RCW 66.24.650 and 2021 c 6 s 16 are each amended to read as follows:

(1)(a) There is a theater license to sell beer, including strong beer, or wine, or both, at retail, for consumption on theater premises. The annual fee is (~~four hundred dollars~~) \$200 for a beer and wine theater license.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (1)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (1)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this

subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

(2) If the theater premises is to be frequented by minors, an alcohol control plan must be submitted to the board at the time of application. The alcohol control plan must be approved by the board, and be prominently posted on the premises, prior to minors being allowed.

(3) For the purposes of this section:

(a) "Alcohol control plan" means a written, dated, and signed plan submitted to the board by an applicant or licensee for the entire theater premises, or rooms or areas therein, that shows where and when alcohol is permitted, where and when minors are permitted, and the control measures used to ensure that minors are not able to obtain alcohol or be exposed to environments where drinking alcohol predominates.

(b) "Theater" means a place of business where motion pictures or other primarily nonparticipatory entertainment are shown, and includes only theaters with up to four screens.

(4) The board must adopt rules regarding alcohol control plans and necessary control measures to ensure that minors are not able to obtain alcohol or be exposed to areas where drinking alcohol predominates. All alcohol control plans must include a requirement that any person involved in the serving of beer and/or wine must have completed a mandatory alcohol server training program.

(5)(a) A licensee that is an entity that is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended as of January 1, 2013, may enter into arrangements with a beer or wine manufacturer, importer, or distributor for brand advertising at the theater or promotion of events held at the theater. The financial arrangements providing for the brand advertising or promotion of events may not be used as an inducement to purchase the products of the manufacturer, importer, or distributor entering into the arrangement and such arrangements may not result in the exclusion of brands or products of other companies.

(b) The arrangements allowed under this subsection (5) are an exception to arrangements prohibited under RCW 66.28.305. The board must monitor the impacts of these arrangements. The board may conduct audits of a licensee and the affiliated business to determine compliance with this subsection (5). Audits may include, but are not limited to: Product selection at the facility; purchase patterns of the licensee; contracts with the beer or wine manufacturer, importer, or distributor; and the amount allocated or used for wine or beer advertising by the licensee, affiliated business, manufacturer, importer, or distributor under the arrangements.

(6) The maximum penalties prescribed by the board in WAC 314-29-020 relating to fines and suspensions are double for violations involving minors or the failure to follow the alcohol control plan with respect to theaters licensed under this section.

Sec. 20. RCW 66.24.680 and 2021 c 176 s 5235 and 2021 c 6 s 18 are each reenacted and amended to read as follows:

(1) There shall be a license to be designated as a senior center license. This shall be a license issued to a nonprofit organization whose primary service is providing recreational and social activities for seniors on the licensed premises. This license shall permit the licensee to sell spirits by the individual glass, including mixed drinks and cocktails mixed on the premises only, beer and wine, at retail for consumption on the premises.

(2) To qualify for this license, the applicant entity must:

(a) Be a nonprofit organization under chapter 24.03A RCW;

(b) Be open at times and durations established by the board; and

(c) Provide limited food service as defined by the board.

(3) All alcohol servers must have a valid mandatory alcohol server training permit.

(4) The board shall adopt rules to implement this section.

(5)(a) The annual fee for this license shall be ~~((seven hundred twenty dollars))~~ \$360.

(b) The annual fee in (a) of this subsection is waived during the 12-month period beginning with the second calendar month after February 28, 2021, for:

(i) Licenses that expire during the 12-month waiver period under this subsection (5)(b); and

(ii) Licenses issued to persons previously licensed under this section at any time during the 12-month period prior to the 12-month waiver period under this subsection (5)(b).

(c) The waiver in (b) of this subsection does not apply to any licensee that:

(i) Had their license suspended by the board for health and safety violations of state COVID-19 guidelines; or

(ii) Received an order of immediate restraint or citation from the department of labor and industries for allowing an employee to perform work where business activity was prohibited in violation of an emergency proclamation of the governor under RCW 43.06.220.

(d) Upon request of the department of revenue, the board and the department of labor and industries must both provide a list of persons that they have determined to be ineligible for a fee waiver under (b) of this subsection for the reasons described in (c) of this subsection. Unless otherwise agreed, any list must be received by the department of revenue no later than 15 calendar days after the request is made.

NEW SECTION. Sec. 21. Sections 2 through 20 of this act expire December 31, 2023.

NEW SECTION. Sec. 22. 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 April 1, 2022."

On page 1, line 1 of the title, after "fees;" strike the remainder of the title and insert "amending RCW 66.24.420, 66.24.590, 66.24.600, 66.24.655, 66.24.690, 66.24.140, 66.24.146, 66.24.170, 66.24.240, 66.24.244, 66.24.320, 66.24.330, 66.24.350, 66.24.540, 66.24.570, 66.24.580, and 66.24.650; reenacting and amending RCW 66.24.495 and 66.24.680; creating a new section; providing an effective date; providing an expiration date; and declaring an emergency."

Senator Robinson spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Third Substitute House Bill No. 1359.

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

MOTION

On motion of Senator Robinson, the rules were suspended, Third Substitute House Bill No. 1359 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Robinson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Third Substitute House Bill No. 1359 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Third Substitute House Bill No. 1359 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Seftik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

THIRD SUBSTITUTE HOUSE BILL NO. 1359 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1814, by House Committee on Finance (originally sponsored by Shewmake, Berry, Bateman, Duerr, Macri, Ramel, Paul, Bergquist, Fitzgibbon, Pollet, Harris-Talley and Kloba)

Expanding equitable access to the benefits of renewable energy through community solar projects.

The measure was read the second time.

MOTION

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

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1. The legislature finds and declares that stimulating local investment in community solar projects continues to be an important part of a state energy strategy by helping to increase energy independence from fossil fuels, promote economic development, hedge against the effects of climate change, and attain environmental benefits. The legislature finds that although previous community solar programs were successful in stimulating these benefits, the programs failed to provide an adequate framework for low-income participation and long-term market certainty. The legislature finds that the vast majority of Washingtonians still do not have access to the benefits of solar energy. The legislature intends to stimulate the deployment of community solar projects for the benefit of all Washingtonians by funding the renewable energy production incentive program for community solar projects and by creating opportunities for broader participation, especially by low-income households and low-income service providers. As of December 2021, the state is 10.3 megawatts short of the 115 megawatts of solar photovoltaic capacity established as a goal under RCW 82.16.155. The legislature therefore intends to provide an incentive sufficient to promote installation of community solar projects through June 30, 2033, at which point the legislature expects to review the effectiveness of enhancing access to community solar projects.

Sec. 2. RCW 82.16.130 and 2017 3rd sp.s. c 36 s 4 are each amended to read as follows:

(1) A light and power business is allowed a credit against taxes due under this chapter in an amount equal to:

(a) Incentive payments made in any fiscal year under RCW 82.16.120 and 82.16.165; and

(b) Any fees a utility is allowed to recover pursuant to RCW 82.16.165(5).

(2) The credits must be taken in a form and manner as required by the department. The credit taken under this section for the fiscal year may not exceed one and one-half percent of the ~~((businesses'))~~ business's taxable Washington power sales generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or two hundred fifty thousand dollars, whichever is greater, for incentive payments made for the following:

(a) Renewable energy systems, other than community solar projects, that are certified for an incentive payment as of June 30, 2020; and

(b) Community solar and shared commercial projects that are under precertification status under RCW 82.16.165(7)(b) as of June 30, 2020, and that are certified for an incentive payment in accordance with the terms of that precertification by June 30, 2022.

(3) The credit may not exceed the tax that would otherwise be due under this chapter. Refunds may not be granted in the place of credits. Expenditures not used to earn a credit in one fiscal year may not be used to earn a credit in subsequent years.

(4) For any business that has claimed credit for amounts that exceed the correct amount of the incentive payable under RCW 82.16.120, the amount of tax against which credit was claimed for the excess payments is immediately due and payable. The department may deduct amounts due from future credits claimed by the business.

(a) Except as provided in (b) of this subsection, the department must assess interest but not penalties on the taxes against which the credit was claimed. Interest must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, retroactively to the date the credit was claimed, and accrues until the taxes against which the credit was claimed are repaid.

(b) A business is not liable for excess payments made in reliance on amounts reported by the Washington State University extension energy program as due and payable as provided under RCW 82.16.165(20), if such amounts are later found to be abnormal or inaccurate due to no fault of the business.

(5) The amount of credit taken under this section is not confidential taxpayer information under RCW 82.32.330 and is subject to disclosure.

(6) The right to earn tax credits for incentive payments made under RCW 82.16.120 expires June 30, 2020. Credits may not be claimed after June 30, 2021.

(7)(a) The right to earn tax credits for incentive payments made under RCW 82.16.165 for the following expires June 30, 2029:

(i) Renewable energy systems, other than community solar projects, that are certified for an incentive payment as of June 30, 2020; and

(ii) Community solar and shared commercial projects that are under precertification status under RCW 82.16.165(7)(b) as of June 30, 2020, and that are certified for an incentive payment in accordance with the terms of that precertification by June 30, 2022.

(b) Credits may not be claimed after June 30, 2030.

(8) This section expires June 30, 2033.

NEW SECTION. Sec. 3. A new section is added to chapter 82.16 RCW to read as follows:

(1) Beginning July 1, 2022, a light and power business is allowed a credit against taxes due under this chapter in an amount equal to incentive payments made in any fiscal year under section 5 of this act.

(2) The credits must be taken in a form and manner as required by the department. The credit taken under this section for the

fiscal year may not exceed 1.5 percent of the business's taxable Washington power sales generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or \$250,000, whichever is greater, for incentive payments made for community solar projects that submit an application for precertification under section 5 of this act on or after July 1, 2022, and that are certified for an incentive payment in accordance with the terms of that precertification by June 30, 2033.

(3) The credit may not exceed the tax that would otherwise be due under this chapter. Refunds may not be granted in the place of credits.

(4) For any business that has claimed credit for amounts that exceed the correct amount of the incentive payable under section 5 of this act, the amount of tax against which credit was claimed for the excess payments is immediately due and payable. The department may deduct amounts from future credits claimed by the business.

(a) Except as provided in (b) of this subsection, the department must assess interest but not penalties on the taxes against which the credit was claimed. Interest may be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, retroactively to the date the credit was claimed, and accrues until the taxes against which the credit was claimed are repaid.

(b) A business is not liable for excess payments made in reliance on amounts reported by the Washington State University extension energy program as due and payable as provided under section 5 of this act, if such amounts are later found to be abnormal or inaccurate due to no fault of the business.

(5) The amount of credit taken under this section is not confidential taxpayer information under RCW 82.32.330 and is subject to disclosure.

(6) The right to earn tax credits for incentive payments made under section 5 of this act expires June 30, 2036. Credits may not be claimed under this section after June 30, 2037.

(7) This section expires June 30, 2038.

NEW SECTION. Sec. 4. A new section is added to chapter 82.16 RCW to read as follows:

(1) The definitions in this section apply throughout this section and section 5 of this act unless the context clearly requires otherwise.

(a)(i) "Administrator" means the utility, nonprofit, tribal housing authority as provided in (a)(ii) of this subsection, or other local housing authority that organizes and administers a community solar project as provided in section 5 of this act and RCW 82.16.170.

(ii) A tribal housing authority may only administer a community solar project on tribal lands or lands held in trust for a federally recognized tribe by the United States for subscribers who are tribal members.

(b) "Certification" means the authorization issued by the Washington State University extension energy program establishing a community solar project administrator's eligibility to receive a low-income community solar incentive payment from the electric utility serving the site of the community solar project, on behalf of, and for the purpose of providing direct benefits to, its low-income subscribers, low-income service provider subscribers, and tribal and public agency subscribers.

(c)(i) "Community solar project" means a solar energy system that:

(A) Has a direct current nameplate capacity that is greater than 12 kilowatts but no greater than 199 kilowatts;

(B) Has, at minimum, either two subscribers or one low-income service provider subscriber; and

(C) Meets the applicable eligibility requirements in section 5 of this act.

(ii) A community solar project may include a storage system

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with a solar energy system.

(d) "Consumer-owned utility" has the same meaning as in RCW 19.280.020.

(e) "Electric utility" or "utility" means a consumer-owned utility or investor-owned utility as those terms are defined in RCW 19.280.020.

(f) "Energy assistance" has the same meaning as provided in RCW 19.405.020.

(g) "Energy burden" has the same meaning as provided in RCW 19.405.020.

(h) "Governing body" has the same meaning as provided in RCW 19.280.020.

(i)(i) "Installed cost" includes only the renewable energy system components and fees that are integral and necessary for the generation and storage of electricity. Components and fees include:

- (A) Solar modules and inverters;
- (B) Battery systems;
- (C) Balance of system, such as racking, wiring, switch gears, and meter bases;
- (D) Nonhardware costs incurred up to the date of the final electrical inspection, such as fees associated with engineering, permitting, interconnection, and application;
- (E) Labor; and
- (F) Sales tax.

(ii) "Installed cost" does not include structures and fixtures that are not integral and necessary to the generation or storage of electricity, such as carports and roofing.

(j) "Interconnection customer" means the person, corporation, partnership, government agency, or other entity that proposes to interconnect, or has executed an interconnection agreement, with the electric utility.

(k) "Low-income" has the same meaning as provided in RCW 19.405.020.

(l) "Low-income service provider" includes, but is not limited to, a local community action agency or local community service agency designated by the department of commerce under chapter 43.63A RCW, local housing authority, tribal housing authority, low-income tribal housing program, affordable housing provider, food bank, or other nonprofit organization that provides services to low-income households as part of their core mission.

(m) "Multifamily residential building" means a building containing more than two sleeping units or dwelling units where occupants are primarily permanent in nature.

(n) "Person" means an individual, firm, partnership, corporation, company, association, agency, or any other legal entity.

(o) "Preferred sites" means rooftops, structures, existing impervious surfaces, landfills, brownfields, previously developed sites, irrigation canals and ponds, stormwater collection ponds, industrial areas, dual-use solar projects that ensure ongoing agricultural operations, and other sites that do not displace critical habitat or productive farmland as defined by state and county planning processes.

(p) "Public agency" means any political subdivision of the state including, but not limited to, municipal and county governments, special purpose districts, and local housing authorities, but does not include state agencies.

(q)(i) Except as otherwise provided in (q)(ii) of this subsection, "qualifying subscriber" means a low-income subscriber, low-income service provider subscriber, tribal agency subscriber, or public agency subscriber.

(ii) For tribal agency subscribers and public agency subscribers, only the portion of their subscription to a community solar project that is demonstrated to benefit low-income

beneficiaries, including low-income service providers and services provided to low-income citizens or households, is to be considered a qualifying subscriber.

(r) "Retail electric customer" has the same meaning as in RCW 80.60.010.

(s) "Subscriber" means a retail electric customer of an electric utility who owns or is the beneficiary of one or more units of a community solar project directly interconnected with that same utility.

(t) "Subscription" means an agreement between a subscriber and the administrator of a community solar project.

(2) This section expires June 30, 2038.

NEW SECTION. Sec. 5. A new section is added to chapter 82.16 RCW to read as follows:

(1) Beginning July 1, 2022, through June 30, 2033, an administrator of a community solar project meeting the eligibility requirements described in this section and RCW 82.16.170(3) may submit an application to the Washington State University extension energy program to receive a precertification for a community solar project. Projects with precertification applications approved by the Washington State University extension energy program have two years to complete their projects and apply for certification. Projects that have not completed certification within two years may apply to the Washington State University extension energy program for an extension of their precertification status for an additional 180 days if they can demonstrate significant progress during the time they were in precertification status. By certifying qualified projects pursuant to the requirements of this section and RCW 82.16.170(3), the Washington State University extension energy program authorizes the utility serving the site of a community solar project in the state of Washington to remit a one-time low-income community solar incentive payment to the community solar project administrator, who accepts the payment on behalf of, and for the purpose of providing direct benefits to, the project's qualifying subscribers.

(2) A one-time low-income community solar incentive payment remitted to a community solar project administrator for a project certified under this section equals the sum of the following:

(a) An amount, not to exceed \$20,000 per community solar project, equal to the community solar project's administrative costs related to the administrative start-up of the project for qualifying subscribers; and

(b) An amount that does not exceed 100 percent of the proportional cost of the installed cost of the share of the community solar project that provides direct benefits to qualifying subscribers, taking into account any federal tax credits or other federal or nonfederal grants or incentives that the program is benefiting from.

(3) No new certification may be issued under this section for a community solar project that was certified under RCW 82.16.120 or 82.16.165, or for a community solar project served by a utility that has elected not to participate in the incentive program provided in this section.

(4) Community solar projects that are under precertification status under RCW 82.16.165 as of June 30, 2020, may not apply for precertification of that same project for the one-time low-income community solar incentive payment provided in this section.

(5)(a) In addition to the one-time low-income community solar incentive payment under subsection (2) of this section, a participating utility must also provide the following compensation for the generation of electricity from the certified project:

(i) For a community solar project that has an alternating current nameplate capacity no greater than 100 kilowatts, and that is connected behind the electric service meter, compensation must be determined in accordance with RCW 80.60.020 and provided to the retail electric customer receiving service at the situs of the meter.

(ii) For all other community solar projects for which the administrator is not a utility, compensation paid to the interconnection customer must be determined in a written agreement between the interconnection customer and the utility.

(iii) For all other community solar projects for which the administrator is a utility, compensation must be provided directly to subscribers in accordance with subsection (8)(a)(i) of this section.

(iv)(A) When the administrator of a community solar project receives compensation for the generation of electricity from a participating utility, interconnection customer, or from the retail electric customer that is the host for the community solar project, the administrator must provide all of that compensation as a direct benefit to the project subscribers, except as described in (iv)(B) of this subsection.

(B) An administrator may deduct ongoing administrative and maintenance costs from compensation they provide to subscribers from power generation, provided those costs are identified in the subscription agreement or justified to the Washington State University extension energy program. The Washington State University extension energy program shall review any such administrative and maintenance costs justifications for reasonableness and approve, reject, or negotiate changes to the proposal. An administrator may request a change in the deduction for administrative and maintenance costs to the Washington State University extension energy program only if the subscription agreement includes language notifying the subscriber that administrative and maintenance fees are subject to change.

(b) For 10 years after certification, and by March 1st of each year following certification, the administrator must provide the Washington State University extension energy program with signed statements of the following for the preceding year:

(i) The energy production for the period for which compensation is to be provided;

(ii) Each subscriber's units of the project;

(iii) The amount disbursed to each subscriber for the period; and

(iv) The date and amount disbursed to each subscriber.

(6) A utility's participation in the incentive program provided in this section is voluntary.

(a) The utility may terminate its voluntary participation in the program by providing notice in writing to the Washington State University extension energy program to cease accepting new applications for precertification for community solar projects that would be served by that utility. Such notice of termination of participation is effective after 15 days, at which point the Washington State University extension energy program may not accept new applications for precertification for community solar projects that would be served by that utility.

(b) Upon receiving a utility's notice of termination of participation in the incentive program, the Washington State University extension energy program must report on its website that community solar project customers of that utility are no longer eligible to receive new certifications under the program.

(c) A utility that has terminated participation in the program may resume participation upon filing a notice with the Washington State University extension energy program.

(7)(a) The Washington State University extension energy program may issue certifications authorizing incentive payments under this section in a total statewide amount not to exceed

\$100,000,000, and subject to the following biennial dollar limits:

(i) For fiscal year 2023, \$300,000; and

(ii) For each biennium beginning on or after July 1, 2023, \$25,000,000.

(b) The Washington State University extension energy program must attempt to equitably distribute incentive funds throughout the state. Considerations for equitable fund distribution, based on precertification applications received from administrators served by utilities voluntarily participating in the program, may include measures to reserve or allocate available funds based on the proportion of public utility taxes collected, the proportion of the state's low-income customers served by each utility based on low-income home energy assistance program data at the department of commerce, measures to achieve an equitable geographic distribution of community solar installations and a diversity of administrative models for community solar projects, and the amount of energy burden reduction for qualifying subscribers relative to the project's cost. If an equitable distribution of funds is not feasible due to a lack of precertification applications, the Washington State University extension energy program may allocate funds based on (a) of this subsection on a first-come, first-served basis.

(c) The Washington State University extension energy program must ensure that at least \$2,000,000 of the statewide total for the entire program is used to support nonprofit organizations' innovative approaches to allocating benefits to subscribers, defining and valuing benefits to be provided to subscribers or other aspects of the subscriber, administrator, system host, and utility relationship.

(d) The Washington State University extension energy program must also ensure that at least \$2,000,000 of the statewide total for the entire program is available to tribal governments and their designated subdivisions and agencies.

(e) The Washington State University extension energy program shall regularly publish and update guidelines for how it manages the allocation of available funding, based on the evaluation of applications and the factors specified in (b) of this subsection.

(f) Beginning in fiscal year 2026, the Washington State University extension energy program may waive the requirements in (c) or (d) of this subsection if it fails to receive applications that meet the criteria of (c) or (d) of this subsection sufficient to result in the full allocation of incentives.

(8)(a) Prior to obtaining certification under this section, the administrator of a community solar project must apply for precertification against the funds available for incentive payments under subsection (7) of this section in order to be guaranteed an incentive payment under this section. The application for precertification must include, at a minimum:

(i) A demonstration of how the project will deliver continuing direct benefits to low-income subscribers. A direct benefit can include credit for the power generation for the community solar project or other mechanisms that lower the energy burden of a low-income subscriber; and

(ii) Any other information the Washington State University extension energy program deems necessary in determining eligibility for precertification.

(b) The administrator of a community solar project must complete an application for certification in accordance with the requirements of subsection (9) of this section within less than two years of being approved for precertification status. The administrator must submit a project update to the Washington State University extension energy program after one year in precertification status.

(9) To obtain certification for the one-time community solar incentive payment provided under this section, a project administrator must submit to the Washington State University

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extension energy program an application, including, at a minimum:

(a) A signed statement that the applicant has not previously received a notice of eligibility from the department under RCW 82.16.120 or the Washington State University extension energy program under RCW 82.16.165 entitling the applicant to receive annual incentive payments for electricity generated by the community solar project at the same meter location;

(b) A signed statement of the costs paid by the administrator related to administering the project for qualifying subscribers;

(c) A signed statement of the total project costs, including the proportional cost of the share of the community solar project that provides direct benefits to qualifying subscribers;

(d) A signed statement describing the amount of the upfront incentive and the timing, method, and distribution of estimated benefits to qualifying subscribers. The statement must describe any estimated energy burden reduction associated with the direct benefits;

(e) Available system operation data, such as global positioning system coordinates, tilt, estimated shading, and azimuth;

(f) Any other information the Washington State University extension energy program deems necessary in determining eligibility and incentive levels or administering the program;

(g)(i) Except as provided in (g)(ii) of this subsection (9), the date that the community solar project received its final electrical inspection from the applicable local jurisdiction, as well as a copy of the permit or, if the permit is available online, the permit number or other documentation deemed acceptable by the Washington State University extension energy program;

(ii) The Washington State University extension energy program may waive the requirement in (g)(i) of this subsection (9), accepting an application and granting provisional certification prior to proof of final electrical inspection. Provisional certification expires 180 days after issuance, unless the applicant submits proof of the final electrical inspection from the applicable local jurisdiction or the Washington State University extension energy program extends certification, for a term or terms of 30 days, due to extenuating circumstances;

(h) Confirmation of the number of qualifying subscribers;

(i) A copy of the executed agreement describing how benefits will be determined and distributed from the retail electric customer or interconnection customer to the administrator if the administrator and the retail electric customer or interconnection customer are not the same. The Washington State University extension energy program must review the executed agreement to determine that benefits are being fairly determined and that there is an adequate plan for distributing the benefits; and

(j) Any other information the Washington State University extension energy program deems necessary in determining eligibility and incentive levels or administering the program.

(10) No incentive payments may be authorized or accrued until the final electrical inspection and executed interconnection agreement are submitted to the Washington State University extension energy program.

(11)(a) The Washington State University extension energy program must review each project for which an application for certification is submitted in accordance with subsection (8) of this section for reasonable cost and financial structure, with a targeted installed cost for the solar energy system of \$2 per watt direct current for systems over 200 kilowatts and \$2.25 per watt direct current for systems equal to or under 200 kilowatts. For solar energy systems that include storage systems, the targeted installed cost of the storage system is \$600 per kilowatt-hour of storage capacity.

(b) The Washington State University extension energy

program may approve an application for a project that costs more or less than the targeted installed costs under (a) of this subsection based on a review of the project, documents submitted by the project applicant, and available data. Project cost evaluations may include costs associated with energy storage systems and electrical system improvements to permit grid-independent operation. Applicants may petition the Washington State University extension energy program to approve a higher cost per watt or per kilowatt-hour for unusual circumstances.

(c) The Washington State University extension energy program may review the cost per watt target under (a) of this subsection prior to each fiscal biennium and is authorized to determine a new cost per watt target.

(12)(a) Within 30 days of receipt of an application for certification, the Washington State University extension energy program must notify the applicant and, except when a utility is the applicant, the utility serving the site of the community solar project, by mail or electronically, whether certification has been granted. The certification notice must state the total dollar amount of the low-income community solar incentive payment for which the applicant is eligible under this section.

(b) Within 60 days of receipt of a notification under (a) of this subsection, the utility serving the site of the community solar project must remit the applicable one-time low-income community solar incentive payment to the project administrator, who accepts the payment on behalf of, and for the purpose of providing direct benefits to, the project's qualifying subscribers.

(13)(a) Certification follows the community solar project if the following conditions are met using procedures established by the Washington State University extension energy program:

(i) The community solar project is transferred to a new owner who notifies the Washington State University extension energy program of the transfer;

(ii) The new owner provides an executed interconnection agreement with the utility serving the site of the community solar project; and

(iii) The new owner agrees to provide equivalent ongoing benefits to qualifying subscribers as the current owner.

(b) In the event that a qualifying subscriber terminates their participation in a community solar project during the first 120 months after project certification, the system certification follows the project and participation must be transferred to a new qualifying subscriber.

(14) Beginning January 1, 2023, the Washington State University extension energy program must post on its website and update at least monthly a report, by utility, of:

(a) The number of certifications issued for community solar projects; and

(b) An estimate of the amount of credit that has not yet been allocated for low-income community solar incentive payments and that remains available for new community solar project certifications in the state.

(15) Persons receiving incentive payments under this section must keep and preserve, for a period of five years for the duration of the consumer contract, suitable records as may be necessary to determine the amount of incentive payments applied for and received.

(16) The nonpower attributes of the community solar project must be retired on behalf of the subscribers unless, in the case of a utility-owned community solar project, a contract between the subscriber that benefits the subscriber clearly states that the attributes will be retained and retired by the utility.

(17) All lists, technical specifications, determinations, and guidelines developed under this section must be made publicly available online by the Washington State University extension

energy program.

(18) The Washington State University extension energy program may, through a public process, develop program requirements, policies, and processes necessary for the administration or implementation of this section.

(19) Applications, certifications, requests for incentive payments under this section, and the information contained therein are not deemed tax information under RCW 82.32.330 and are subject to disclosure.

(20) No certification may be issued under this section by the Washington State University extension energy program for a community solar project after June 30, 2035.

(21) Community solar projects certified under this section must be sited on preferred sites to protect natural and working lands as determined by the Washington State University extension energy program.

(22) This section expires June 30, 2038.

Sec. 6. RCW 82.16.170 and 2017 3rd sp.s. c 36 s 7 are each amended to read as follows:

(1) The purpose of community solar programs is to facilitate broad, equitable community investment in and access to solar power. Beginning July 1, 2017, a community solar administrator may organize and administer a community solar project as provided in this section.

(2) ~~((A))~~ In order to receive certification for the incentive payment provided under RCW 82.16.165(1) by June 30, 2021, a community solar project must have a direct current nameplate capacity that is no more than one thousand kilowatts and must have at least ten participants or at least one participant for every ten kilowatts of direct current nameplate capacity, whichever is greater. A community solar project that has a direct current nameplate capacity greater than five hundred kilowatts must be subject to a standard interconnection agreement with the utility serving the situs of the community solar project. Except for community solar projects authorized under subsection ~~((9))~~ (10) of this section, each participant must be a customer of the utility providing service at the situs of the community solar project.

(3) In order to receive certification for the incentive payment provided under section 5 of this act beginning July 1, 2022, a community solar project must meet the following requirements:

(a) The administrator of the community solar project must be a utility, nonprofit, or tribal housing authority that administers a community solar project on tribal lands or lands held in trust for a federally recognized tribe by the United States for subscribers who are tribal members, or other local housing authority. The administrator of the community solar project must apply for precertification under section 5 of this act on or after July 1, 2022;

(b) The community solar project must have a direct current nameplate capacity that is greater than 12 kilowatts but no greater than 199 kilowatts, and must have at least two subscribers or one low-income service provider subscriber;

(c) The administrator of the community solar project must provide a verified list of qualifying subscribers;

(d) Verification that an individual household subscriber meets the definition of low-income must be provided to the administrator by an entity with authority to maintain the confidentiality of the income status of the low-income subscriber. If the providing entity incurs costs to verify a subscriber's income status, the administrator must provide reimbursement of those costs;

(e) Except for community solar projects authorized under subsection (10) of this section, each subscriber must be a customer of the utility providing service at the site of the community solar project;

(f) In the event that a low-income subscriber in a community solar project certified under section 5 of this act moves within 120

months of system certification from the household premises of the subscriber's current subscription to another, the subscriber may continue the subscription, provided that the new household premises is served by the utility providing service at the site of the community solar project. In the event that a subscriber is no longer served by that utility or the subscriber terminates participation in a community solar project certified under section 5 of this act, the certification follows the system and participation must be transferred by the administrator to a new qualifying subscriber as specified in section 5 of this act;

(g) The administrator must include in the application for precertification a project prospectus that demonstrates how the administrator intends to provide direct benefits to qualifying subscribers for the duration of their subscription to the community solar project; and

(h) The length of the subscription term for low-income subscribers must be the same length as for other subscribers, if applicable.

(4) The administrator of a community solar project must administer the project in a transparent manner that allows for fair and nondiscriminatory opportunity for participation by utility customers.

~~((4))~~ (5) The administrator of a community solar project may establish a reasonable fee to cover costs incurred in organizing and administering the community solar project. Project participants, prior to making the commitment to participate in the project, must be given clear and conspicuous notice of the portion of the incentive payment that will be used for this purpose.

~~((5))~~ (6) The administrator of a community solar project must maintain and update annually through June 30, 2030, the following information for each project it operates or administers:

(a) Ownership information;

(b) Contact information for technical management questions;

(c) Business address;

(d) Project design details, including project location, output capacity, equipment list, and interconnection information; and

(e) Subscription information, including rates, fees, terms, and conditions.

~~((6))~~ (7) The administrator of a community solar project must provide the information required in subsection ~~((5))~~ (6) of this section to the Washington State University extension energy program at the time it submits the applications allowed under RCW 82.16.165(1) and section 5 of this act.

~~((7))~~ (8) The administrator of a community solar project must provide each project participant with a disclosure form containing all material terms and conditions of participation in the project, including but not limited to the following:

(a) Plain language disclosure of the terms under which the project participant's share of any incentive payment will be calculated by the Washington State University extension energy program ~~(over the life of the contract)~~;

(b) Contract provisions regulating the disposition or transfer of the project participant's interest in the project, including any potential costs associated with such a transfer;

(c) All recurring and nonrecurring charges;

(d) A description of the billing and payment procedures;

(e) A description of any compensation to be paid in the event of project underperformance;

(f) Current production projections and a description of the methodology used to develop the projections;

(g) Contact information for questions and complaints; and

(h) Any other terms and conditions of the services provided by the administrator.

~~((8))~~ (9) A utility may not adopt rates, terms, conditions, or standards that unduly or unreasonably discriminate between utility-administered community solar projects and those

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administered by another entity.

~~((9))~~ (10) A public utility district that is engaged in distributing electricity to more than one retail electric customer in the state and a joint operating agency organized under chapter 43.52 RCW on or before January 1, 2017, may enter into an agreement with each other to construct and own a community solar project that is located on property owned by a joint operating agency or on property that receives electric service from a participating public utility district. Each participant of a community solar project under this subsection must be a customer of at least one of the public utility districts that is a party to the agreement with a joint operating agency to construct and own a community solar project.

~~((40))~~ (11) The Washington utilities and transportation commission must publish, without disclosing proprietary information, a list of the following:

(a) Entities other than utilities, including affiliates or subsidiaries of utilities, that organize and administer community solar projects; and

(b) Community solar projects and related programs and services offered by investor-owned utilities.

~~((44))~~ (12) If a consumer-owned utility opts to provide a community solar program or contracts with a nonutility administrator to offer a community solar program, the governing body of the consumer-owned utility must publish, without disclosing proprietary information, a list of the nonutility administrators contracted by the utility as part of its community solar program.

~~((42))~~ (13) Except for parties engaged in actions and transactions regulated under laws administered by other authorities and exempted under RCW 19.86.170, a violation of this section constitutes an unfair or deceptive act in trade or commerce in violation of chapter 19.86 RCW, the consumer protection act. Acts in violation of chapter 36, Laws of 2017 3rd sp. sess. are not reasonable in relation to the development and preservation of business, and constitute matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW.

~~((43))~~ (14) Nothing in this section may be construed as intending to preclude persons from investing in or possessing an ownership interest in a community solar project, or from applying for and receiving federal investment tax credits.

(15) This section expires June 30, 2038.

NEW SECTION. Sec. 7. RCW 82.32.808 does not apply to this act.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 2 of the title, after "projects;" strike the remainder of the title and insert "amending RCW 82.16.130 and 82.16.170; adding new sections to chapter 82.16 RCW; creating new sections; providing expiration dates; and declaring an emergency."

Senator Carlyle spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Second Substitute House Bill No. 1814.

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

MOTION

On motion of Senator Carlyle, the rules were suspended, Second Substitute House Bill No. 1814 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Carlyle and Sheldon spoke in favor of passage of the bill.

Senator Wilson, L. spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1814 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1814 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 29; Nays, 20; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

SECOND SUBSTITUTE HOUSE BILL NO. 1814 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1914, by House Committee on Community & Economic Development (originally sponsored by Riccelli, Orcutt, Berry, Leavitt, McEntire, Ryu, Santos, Walen, Wicks, Ortiz-Self, Stonier, Robertson, Peterson, Rule, Vick, Goodman, Dolan, Orwall, Eslick, Barkis, Graham, Berg, Dent, Bateman and Macri)

Updating and expanding the motion picture competitiveness program.

The measure was read the second time.

MOTION

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

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.365.005 and 2006 c 247 s 1 are each amended to read as follows:

The legislature recognizes the motion picture industry in Washington as a valuable commodity contributing greatly to the economic vitality of the state and the cultural integrity of our communities. The legislature further recognizes the production of in-state motion pictures, television programs, and television commercials creates a marked increase in tourism, family-wage jobs, and the sale of local goods and services generating revenue for the state. Furthermore, with captive national and international audiences, the world is introduced to the state's pristine scenic venues and reminded that the Pacific Northwest is a great place

to live and raise a family. The legislature also recognizes the inherent educational value of promoting arts and culture as well as the benefits of training young motion picture professionals who will build a fruitful industry for years to come.

The legislature finds in recent years that the state has realized a drastic decline in motion picture production that precludes economic expansion and threatens the state's reputation as a production destination. With the emergence of tax incentives in ~~((thirty))~~ other states nationwide, in-state producers are taking their projects to more competitive economic climates, such as Oregon and Vancouver, British Columbia, where compelling tax incentive packages and subsidies are already in effect.

The legislature also finds that in recent years increasingly workers in Washington state are without health insurance coverage and retirement income protections, causing hardships on workers and their families and higher costs to the state.

The legislature also recognizes that there are significant barriers to entry for those from marginalized communities to enter the motion picture workforce. This results in lost opportunity for people to tell stories in film that reflect a breadth of diversity in experience across race, gender, ability, sexual orientation, and place of origin.

The legislature also finds that more investment in the film industry will increase revenue with Washington state businesses and create family-wage jobs that pay health and retirement benefits for Washington workers. Moreover, targeted investments in rural and marginalized communities will create opportunities to build an equitable workforce and film industry.

Therefore, it is the intent of the legislature to recognize both national and international competition in the motion picture production marketplace. The legislature is committed to leveling the competitive playing field and promoting an equitable film industry and is interested in a partnership with the private sector to regain Washington's place as a premier destination to make motion pictures, television, and television commercials. While at the same time the legislature is committed to ensuring that workers in the motion picture and television industry are covered under health insurance and retirement income plans and that motion picture production sets and stories reflect the diversity of Washington residents.

Sec. 2. RCW 43.365.010 and 2017 3rd sp.s. c 37 s 1103 are each amended to read as follows:

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

(1) "Approved motion picture competitiveness program" and "program" mean ~~((s))~~ a nonprofit organization under the internal revenue code, section 501(c)(6), with the sole purpose of revitalizing the state's economic, cultural, and educational standing in the national and international market of motion picture production and associated creative industries and assisting and providing services for attracting the film industry and associated creative industries, by recommending and awarding financial assistance for costs associated with motion pictures in the state of Washington.

(2) "Board of directors" and "board" mean the board of directors established in RCW 43.365.030.

(3) "Contribution" means cash contributions.

~~((3))~~ (4) "Costs" means actual expenses of production and postproduction expended in Washington state for the production of motion pictures, including but not limited to payments made for salaries, wages, and health insurance and retirement benefits, the rental costs of machinery and equipment and the purchase of services, food, property, lodging, and permits for work conducted in Washington state.

~~((4))~~ (5) "Department" means the department of commerce.

~~((5))~~ (6) "Funding assistance" means cash expenditures from

an approved motion picture competitiveness program.

~~((6))~~ (7) "Motion picture" means a recorded audiovisual production intended for distribution to the public for exhibition in public and/or private settings by means of any and all delivery systems and/or delivery platforms now or hereafter known, including without limitation, screenings in motion picture theaters, broadcasts and cablecast transmissions for viewing on televisions, computer screens, and other audiovisual receivers, viewings on screens by means of digital video disc (DVD) players, video on demand (VOD) services, and digital video recording (DVR) services, direct internet transmission, and viewing on digital computer-based systems which respond to the users' actions (interactive media).

~~((7))~~ (8) "Person" has the same meaning as provided in RCW 82.04.030.

(9) "Rural community" has the same meaning as "rural county" in RCW 82.14.370.

Sec. 3. RCW 43.365.030 and 2012 c 189 s 3 are each amended to read as follows:

(1) A Washington motion picture competitiveness program under this chapter must be administered by a board of directors appointed by the governor, and the appointments must be made within sixty days following enactment. The department, after consulting with the board, must adopt rules for the standards that shall be used to evaluate the applications for funding assistance prior to June 30, 2006.

(2) The board must evaluate and award financial assistance to motion picture projects under rules set forth under RCW 43.365.020.

(3) The board must consist of the following members:

(a) ~~((One member))~~ Two members representing the Washington motion picture production industry, one of whom must demonstrate expertise in the financing of motion picture projects;

(b) ~~((One member representing the Washington motion picture postproduction industry;~~

~~((e))~~ One member representing technologies impacting the Washington ~~((interactive media or))~~ emerging motion picture industry;

~~((d))~~ (c) Two members representing labor unions affiliated with Washington motion picture production;

~~((e))~~ ~~One member representing the Washington visitors and convention bureaus;~~

~~((f))~~ ~~One member representing the Washington tourism industry;~~

~~((g))~~ ~~One member representing the Washington restaurant, hotel, and airline industry))~~ (d) Three members representing industries and businesses impacted by motion picture production, one of whom must represent industries or businesses located east of the crest of the Cascade mountain range and one of whom must represent industries or businesses located west of the crest of the Cascade mountain range;

(e) Two cochairs of the board's equity committee, not already serving on the board, recommended by the board to the governor;

(f) Two cochairs of the board's advisory committee, also known as the film leadership council, not already serving on the board, recommended by the board to the governor; and

~~((h))~~ (g) A chairperson, chosen at large, must serve at the pleasure of the governor.

(4) The term of the board members, other than the chair, is four years, except as provided in subsection (5) of this section.

(5) The governor must appoint board members ~~((in 2010))~~ to ~~((two year or))~~ four-year staggered terms ~~((Once the initial two year or four year terms expire, all subsequent terms are for four years. The terms of the initial board members are as follows:~~

(a) ~~The board positions in subsection (3)(b), (e), and (g) of this section, and one position from subsection (3)(d) of this section~~

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~~must be appointed to two-year terms; and~~

~~(b) The remaining board positions in subsection (3) of this section shall be appointed to four-year terms), except the board member initially appointed to the position in subsection (3)(b) of this section and the board member initially appointed to the position in subsection (3)(f) of this section must each be appointed to a two-year term. Once those initial two-year terms expire, all subsequent terms are for four years.~~

(6) A board member appointed by the governor may be removed by the governor for cause under RCW 43.06.070 and 43.06.080.

(7) ~~(Five)~~ Seven members of the board constitute a quorum.

(8) The board must elect a treasurer and secretary annually, and other officers as the board members determine necessary, and may adopt bylaws or rules for its own government.

(9) The board must make any information available at the request of the department to administer this chapter.

(10) Contributions received by a board must be deposited into the account described in RCW 43.365.020(2).

(11) Board members must comply with all requirements of a 501(c)(6) organization, including the prohibition on using information obtained as a board member for personal gain. Board members must act in the best interest of the approved motion picture competitiveness program. Each board member is required to complete an annual conflicts of interest form to disclose all conflicts and potential conflicts of interest with board actions. If a board member has a conflict of interest with respect to an application for funding assistance, the board member must disclose the board member's conflict and not be present for a discussion or vote on the application.

Sec. 4. RCW 43.365.020 and 2012 c 189 s 2 are each amended to read as follows:

(1) The department must adopt criteria for the approved motion picture competitiveness program with the sole purpose of revitalizing the state's economic, cultural, and educational standing in the national and international market of motion picture production. Rules adopted by the department shall allow the program, within the established criteria, to provide funding assistance only when it captures economic opportunities for Washington's communities and businesses and shall only be provided under a contractual arrangement with a private entity. In establishing the criteria, the department shall consider:

(a) The additional income and tax revenue to be retained in the state for general purposes;

(b) The creation and retention of family-wage jobs which provide health insurance and payments into a retirement plan;

(c) The impact of motion picture projects to maximize in-state labor and the use of in-state film production and film postproduction companies;

(d) The impact upon the local economies and the state economy as a whole, including multiplier effects;

(e) The intangible impact on the state and local communities that comes with motion picture projects;

(f) The regional, national, and international competitiveness of the motion picture filming industry;

(g) The revitalization of the state as a premier venue for motion picture production and national television commercial campaigns;

(h) Partnerships with the private sector to bolster film production in the state and serve as an educational and cultural purpose for its citizens;

(i) The vitality of the state's motion picture industry as a necessary and critical factor in promoting the state as a premier tourist and cultural destination;

(j) Giving preference to additional seasons of television series

that have previously qualified and to motion picture productions that tell stories of marginalized communities; and

(k) Other factors the department may deem appropriate for the implementation of this chapter.

(2) The board of directors ~~(created under RCW 43.365.030)~~ shall create and administer an account for carrying out the purposes of subsection ~~((4))~~ (4) of this section.

(3) The board's goal must be to commit at least 20 percent of funding assistance to motion picture productions located or filmed in rural communities and 20 percent of funding assistance to motion picture productions that tell stories of marginalized communities.

(4) Money received by the approved motion picture competitiveness program shall be used only for:

(a) Health insurance and payments into a retirement plan, and other costs associated with film production; ~~((and))~~

(b) Staff and related expenses to maintain the program's proper administration and operation;

(c) Supporting the growth and development of the Washington state film industry through career connected learning, workforce development, and business development with a focus on better supporting people from marginalized or rural communities; and

(d) Developing resources to facilitate filming in rural communities including, but not limited to, economic development grants for filming, training for film liaisons, information about film permitting processes, and grants to support the expansion of location database collateral.

~~((4))~~ (5) Except as provided otherwise in subsections ~~((7))~~ (8) and (9) of this section, maximum funding assistance from the approved motion picture competitiveness program is limited to an amount up to thirty percent of the total actual investment in the state of at least:

(a) Five hundred thousand dollars for a single motion picture produced in Washington state; or

(b) One hundred fifty thousand dollars for a television commercial associated with a national or regional advertisement campaign produced in Washington state.

~~((5))~~ (6) Except as provided otherwise in subsections ~~((7))~~ (8) and (9) of this section, maximum funding assistance from the approved motion picture competitiveness program is limited to an amount up to thirty-five percent of the total actual investment of at least three hundred thousand dollars per episode produced in Washington state. A minimum of six episodes of a series must be produced to qualify under this subsection. A maximum of up to thirty percent of the total actual investment from the approved motion picture competitiveness program may be awarded to an episodic series of less than six episodes.

~~((6))~~ (7) With respect to costs associated with nonstate labor for motion pictures and episodic services, funding assistance from the approved motion picture competitiveness program is limited to an amount up to fifteen percent of the total actual investment used for costs associated with nonstate labor. To qualify under this subsection, the production must have a labor force of at least eighty-five percent of Washington residents. The board may establish additional criteria to maximize the use of in-state labor.

~~((7))~~ (8)(a) The approved motion picture competitiveness program may allocate an annual aggregate of no more than ten percent of the qualifying contributions by the program under RCW 82.04.4489 to provide funding support for filmmakers who are Washington residents, new forms of production, and emerging technologies.

(i) Up to thirty percent of the actual investment for a motion picture with an actual investment lower than that of motion pictures under subsection ~~((4))~~ (5)(a) of this section; or

(ii) Up to thirty percent of the actual investment of an

interactive motion picture intended for multiplatform exhibition and distribution.

(b) Subsections ~~((4) and)~~ (5) and (6) of this section do not apply to this subsection.

~~((8))~~ (9)(a) In addition to the maximum funding assistance established in subsections (5) and (6) of this section, up to a 10 percent enhancement award on a motion picture production's state investment must be given for motion pictures: (i) Located or filmed in a rural community; or (ii) that tell stories of marginalized communities.

(b) Total actual investment requirements established in subsections (5) and (6) of this section apply to this subsection (9).

(10)(a) Funding assistance must include up to \$3,000,000 for small motion picture productions produced in Washington state, subject to subsection (11) of this section, that are creatively driven by Washington residents. To qualify, the small motion picture production must have at least two Washington residents in any combination of the following positions: Writer, director, producer, or lead actor. An entity seeking funding assistance for a small motion picture production must demonstrate that the amount of the total actual investment for the production is less than \$1,000,000.

(b) Maximum funding assistance and total actual investment requirements, established in subsections (5), (6), (7), (8), and (9) of this section apply to small motion picture productions. The department shall adopt rules as necessary to implement this subsection (10).

(11) Funding assistance approval must be determined by the approved motion picture competitiveness program within a maximum of thirty calendar days from when the application is received, if the application is submitted after August 15, 2006. For small motion picture productions, the approved motion picture competitiveness program, after determining a conditional approval of the production, shall hold the production's funding assistance in reserve while the entity seeking funding assistance for the production secures financing for the remainder of the budget. Once the entity seeking funding assistance for the production demonstrates to the program that it has secured the necessary financing, the program shall certify the small motion picture production as approved. If the entity seeking funding assistance cannot demonstrate within six months from the date of conditional approval that it has secured the total budget, the program must make the funding assistance available to other eligible applicants with funding assistance approval.

(12) By December 31, 2022, and annually thereafter, the department, on behalf of the board, must report to the legislature on the approved motion picture competitiveness program. This report may include information required in the survey established in RCW 43.365.040. At a minimum, the report must include an annual list of recipients awarded financial assistance from the prior year with total estimated production costs, locations of each production, and the board's progress towards the goal of at least 20 percent of its funding assistance provided to motion picture productions located or filmed in rural communities and 20 percent of its funding assistance provided to motion picture productions that tell stories of marginalized communities. The report must also include information on workforce development, career connected learning, and business development activities, including whether they have been scaled up in size from the previous year and how they are meeting the goal of supporting people from marginalized communities.

(13) The approved motion picture competitiveness program must allocate funds for training and job placement for marginalized communities as follows:

(a) For fiscal years 2023 and 2024, a minimum of \$500,000 for each fiscal year; and

(b) For each fiscal year on or after July 1, 2024, a minimum of \$750,000.

Sec. 5. RCW 82.04.4489 and 2017 3rd sp.s. c 37 s 1102 are each amended to read as follows:

(1) Subject to the limitations in this section, a credit is allowed against the tax imposed under this chapter for contributions made by a person to a Washington motion picture competitiveness program.

(2) The person must make the contribution before claiming a credit authorized under this section. Credits earned under this section may be claimed against taxes due for the calendar year in which the contribution is made. The amount of credit claimed for a reporting period may not exceed the tax otherwise due under this chapter for that reporting period. No person may claim more than ~~((seven hundred fifty thousand dollars))~~ \$1,000,000 of credit in any calendar year, including credit carried over from a previous calendar year. No refunds may be granted for any unused credits.

(3) The maximum credit that may be earned for each calendar year under this section for a person is limited to the lesser of ~~((seven hundred fifty thousand dollars))~~ \$1,000,000 or an amount equal to one hundred percent of the contributions made by the person to a program during the calendar year.

(4) Except as provided under subsection (5) of this section, a tax credit claimed under this section may not be carried over to another year.

(5) Any amount of tax credit otherwise allowable under this section not claimed by the person in any calendar year may be carried over and claimed against the person's tax liability for the next succeeding calendar year. Any credit remaining unused in the next succeeding calendar year may be carried forward and claimed against the person's tax liability for the second succeeding calendar year; and any credit not used in that second succeeding calendar year may be carried over and claimed against the person's tax liability for the third succeeding calendar year, but may not be carried over for any calendar year thereafter.

(6) Credits are available on a first-in-time basis. The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section during any calendar year to exceed ~~((three million five hundred thousand dollars))~~ \$15,000,000. If this limitation is reached, the department must notify all Washington motion picture competitiveness programs that the annual statewide limit has been met. In addition, the department must provide written notice to any person who has claimed tax credits in excess of the limitation in this subsection. The notice must indicate the amount of tax due and provide that the tax be paid within thirty days from the date of the notice. The department may not assess penalties and interest as provided in chapter 82.32 RCW on the amount due in the initial notice if the amount due is paid by the due date specified in the notice, or any extension thereof.

(7) To claim a credit under this section, a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. Any return, form, or information required to be filed in an electronic format under this section is not filed until received by the department in an electronic format. As used in this subsection, "returns" has the same meaning as "return" in RCW 82.32.050.

(8) No application is necessary for the tax credit. The person must keep records necessary for the department to verify eligibility under this section.

(9) A Washington motion picture competitiveness program must provide to the department, upon request, such information needed to verify eligibility for credit under this section, including information regarding contributions received by the program.

(10) The department may not allow any credit under this

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section before July 1, 2006.

(11) For the purposes of this section, "Washington motion picture competitiveness program" or "program" means an organization established pursuant to chapter 43.365 RCW.

(12) Persons claiming a credit against the tax imposed under this chapter for contributions made to a Washington motion picture competitiveness program and not otherwise receiving funding assistance under RCW 43.365.020 are exempt from the annual reporting requirements in RCW 82.32.534 and 43.365.040.

(13) No credit may be earned for contributions made on or after July 1, ((2027)) 2030.

Sec. 6. RCW 43.365.040 and 2012 c 189 s 5 are each amended to read as follows:

(1) The legislature finds that accountability and effectiveness are important aspects of setting tax policy. In order to make policy choices regarding the best use of limited state resources the legislature needs information on how incentives are used.

(2) Each motion picture production receiving funding assistance under RCW 43.365.020 must report information to the department by filing a complete annual survey. The survey is due by March 31st of the year following any calendar year in which funding assistance under RCW 43.365.020 is taken. The department may extend the due date for timely filing of annual surveys under this section if failure to file was the result of circumstances beyond the control of the motion picture production receiving the funding assistance.

(3) The Washington motion picture competitiveness program established in RCW 43.365.030, in collaboration with the department and the department of revenue, and in consultation with the joint legislative audit and review committee, must develop a survey form and instructions that accompany the survey form by November 1, 2012. The instructions must provide sufficient detail to ensure consistent reporting. The survey must be designed to acquire data to allow the state to better measure the effectiveness of the program and to provide transparency of the motion picture competitiveness program. The survey must include:

- (a) The total amount of taxes paid;
- (b) The amount of taxes paid classified by type, which may include, but is not limited to, sales taxes, use taxes, business and occupation taxes, unemployment insurance taxes, and workers' compensation premiums;
- (c) The amount of funding assistance received; and
- (d) The following information for employment positions in Washington by the motion picture production receiving funding assistance, including indirect employment by contractors or other affiliates:
 - (i) The number of total employment positions;
 - (ii) The average number of hours worked by employed individuals;
 - (iii) The average base pay of individuals employed by motion picture companies, including contributions to health care benefits and retirement plans;
 - (iv) The number of employment positions that have employer-provided medical, dental, and retirement benefits; and
 - (v) The number of employment positions filled by Washington state residents, and residency information for employment positions filled by people from other locations.

(4) The department may request additional information necessary to measure the results of the funding assistance ((program)), to be submitted at the same time as the survey.

(5) If a person fails to submit an annual survey under subsection (2) of this section by the due date of the report or any extension the department must declare the amount of funding

assistance for the previous calendar year to be immediately due and payable. The department must assess interest, but not penalties, on the amounts due under this section. The interest is assessed at the rate provided for delinquent taxes under chapter 82.32 RCW, retroactively to the date the funding assistance was received, and accrues until the funding assistance is repaid.

(6) The department must use the information from this section to prepare summary descriptive statistics. The department must report these statistics to the legislature each even-numbered year by September 1st. The department must provide the complete annual surveys to the joint legislative audit and review committee, which shall perform a review as required under RCW 43.365.050.

(7) The motion picture competitiveness program must periodically audit and generally monitor the survey information submitted by production companies for completeness and accuracy.

Sec. 7. RCW 43.365.050 and 2006 c 247 s 7 are each amended to read as follows:

~~((The provisions of RCW 82.04.4489 are subject to review by the joint legislative audit and review committee.))~~ (1) It is the legislature's specific public policy objective to increase the viability of the motion picture and film industry and associated creative industries in Washington state. It is the legislature's intent to increase the credit available under RCW 82.04.4489 in order to attract additional motion picture and film projects, thereby increasing family-wage jobs.

(2) The joint legislative audit and review committee ((will)) must review and make a recommendation to the ((house finance committee and the senate ways and means committee)) fiscal committees of the legislature by December 1, ((2010)) 2026, regarding the effectiveness of the motion picture competitiveness program including, but not limited to, the amount of state revenue generated, the amount and number of family ((wages {wage})) - wage jobs with benefits created, adherence to the criteria in RCW 43.365.020, changes in Washington's share of the film employment market, and any other factors deemed appropriate by the joint legislative audit and review committee.

(3) In order to obtain the data necessary to perform the review in subsection (2) of this section, the joint legislative audit and review committee may refer to tax data provided to the department of revenue and the annual survey required under RCW 43.365.040.

NEW SECTION. Sec. 8. 2017 3rd sp.s. c 37 s 1101 (uncodified) is repealed."

On page 1, line 2 of the title, after "program;" strike the remainder of the title and insert "amending RCW 43.365.005, 43.365.010, 43.365.030, 43.365.020, 82.04.4489, 43.365.040, and 43.365.050; and repealing 2017 3rd sp.s. c 37 s 1101 (uncodified)."

MOTION

Senator Hasegawa moved that the following amendment no. 1494 by Senator Hasegawa be adopted:

On page 4, line 15, after "servicing on the board." strike "recommended by the board to the governor" and insert "as recommended by the equity committee in subsection (12) of this section to the governor"

On page 5, after line 18, insert the following:

"(12)(a) The equity committee is responsible for recommending to the governor two cochair for appointment to the board.

(b) All selections to the board's equity committee must be made in consultation with the state commissions established under

chapters 43.113, 43.115, and 43.117 RCW, the office of equity established under chapter 43.06D RCW, the office of minority and women's business enterprises established under chapter 39.19 RCW, and the governor's office of Indian affairs. The board must describe the nature and extent of such consultation with respect to each new member of the equity committee, as well as the involvement of these entities in the further development of the equity committee, and provide that information to the department for inclusion in the annual report to the legislature established in RCW 43.365.020(12)."

On page 9, line 7, after "each production." insert "engagement with certain entities in the further development of the equity committee."

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

Senators Short and Wellman spoke against adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1494 by Senator Hasegawa on page 4, line 15 to the committee striking amendment.

The motion by Senator Hasegawa did not carry and amendment no. 1494 was not adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Engrossed Substitute House Bill No. 1914.

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

MOTION

On motion of Senator Wellman, the rules were suspended, Engrossed Substitute House Bill No. 1914 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Wellman, Short, Hasegawa, Frockt, Braun, Rolfes, Muzzall, Mullet, Holy and Dozier spoke in favor of passage of the bill.

Senator Schoesler spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1914 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1914 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 45; Nays, 3; Absent, 1; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C. and Wilson, L.

Voting nay: Senators Honeyford, Schoesler and Wilson, J.

Absent: Senator Van De Wege

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1914 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

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

SUPPLEMENTAL INTRODUCTION AND FIRST READING

HB 1924 by Representatives Tharinger, Chapman and Fey

AN ACT Relating to 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; amending RCW 82.08.956, 82.12.956, and 82.32.605; creating new sections; and providing expiration dates.

Referred to Committee on Environment, Energy & Technology.

MOTIONS

On motion of Senator Pedersen, the measure listed on the Introduction and First Reading report was referred to the committee as designated.

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

PERSONAL PRIVILEGE

Senator Honeyford: "Well thank you Mr. President. I wanted to recognize that this is Irish heritage month."

President Heck: "Are you rising to a point of personal privilege?"

Senator Honeyford: "Yes."

President Heck: "Are you Irish?"

Senator Honeyford: "I am. Scotch-Irish."

President Heck: "Please proceed. Otherwise, it is not a point of personal privilege."

Senator Honeyford: "About thirty-eight million people in the United States claim to be of Irish ancestry, and that's about eight or nine times the total population of Ireland. And I do have ancestors or relatives there. I have a cousin who spells his name a little differently, but he's a Honeyford. I'd also like to point out that the Scotch ancestry that I have – oh, I was going to also mention that many of us remember that the Irish came here in the potato famine. And when they went to seek work, they saw the signs: *Irish Need Not Apply*. And then my Scottish ancestry, point out that many of the Scotch that came to the United States came here as slaves because they opposed the king and as punishment they were sent to the colonies. So just a little bit of history. But Irish month, enjoy. Thank you."

MOTION

On motion of Senator Wilson, C., Senator Van De Wege was excused.

SECOND READING

HOUSE BILL NO. 1641, by Representatives Hoff, Springer,

Restoring the business and occupation and public utility tax exemption for custom farming and hauling farm products.

The measure was read the second time.

MOTION

Senator Dhingra moved that the following amendment no. 1493 by Senator Dhingra be adopted:

On page 3, beginning on line 12, strike all of sections 3 and 4 and insert the following:

"NEW SECTION. Sec. 3. (1) This section is the tax preference performance statement for the tax preferences contained in sections 1 and 2, chapter . . . , Laws of 2022 (sections 1 and 2 of this act). This performance statement 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 these tax preferences as ones intended to reduce structural inefficiencies in the tax structure, as indicated in RCW 82.32.808(2)(d).

(3) It is the legislature's specific public policy objective to provide tax relief to farmers, including those who changed their farm structure in response to federal regulations regarding irrigated water.

(4) To measure the effectiveness of the tax preferences in this act, the joint legislative audit and review committee must evaluate the tax preferences in this act by January 1, 2031. The review must include evaluation of:

(a) The number of entities claiming the tax preferences under this act;

(b) The amount of beneficiary tax savings of entities claiming the tax preferences under this act; and

(c) The percentage of entities claiming the tax preferences under this act that provide service to farm operations that modified their business structure in response to federal regulations regarding irrigated water.

NEW SECTION. Sec. 4. This act expires July 1, 2032."

On page 1, line 4 of the title, after "creating" strike "new sections; and providing an effective date" and insert "a new section; providing an effective date; and providing an expiration date"

Senator Dhingra spoke in favor of adoption of the amendment. Senators Warnick and King spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1493 by Senator Dhingra on page 3, line 12 to House Bill No. 1641.

The motion by Senator Dhingra did not carry and amendment no. 1493 was not adopted by voice vote.

MOTION

On motion of Senator Robinson, the rules were suspended, House Bill No. 1641 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Warnick spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1641.

The Secretary called the roll on the final passage of House Bill No. 1641 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Hasegawa and Liias

HOUSE BILL NO. 1641, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1846, by House Committee on Finance (originally sponsored by Berg and Ramel)

Providing a tax preference for rural and nonrural data centers.

The measure was read the second time.

MOTION

Senator Schoesler moved that the following amendment no. 1492 by Senator Schoesler be adopted:

Beginning on page 28, line 19, strike all of section 7

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 1, at the beginning of line 3 of the title, strike "new sections" and insert "a new section"

Senators Schoesler, Muzzall, Wagoner and Short spoke in favor of adoption of the amendment.

Senator Carlyle spoke against adoption of the amendment.

MOTION

Senator Schoesler demanded a roll call.

The President declared that one-sixth of the members supported the demand, and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator Schoesler on page 28, line 19 to Engrossed Substitute House Bill No. 1846.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Schoesler and the amendment was not adopted by the following vote: Yeas, 22; Nays, 27; Absent, 0; Excused, 0.

Voting yea: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wellman, Wilson, J. and Wilson, L.

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall,

Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege and Wilson, C.

MOTION

On motion of Senator Robinson, the rules were suspended, Engrossed Substitute House Bill No. 1846 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson, Conway, Brown and Warnick spoke in favor of passage of the bill.

Senator Muzzall spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1846.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1846 and the bill passed the Senate by the following vote: Yeas, 36; Nays, 13; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Gildon, Hasegawa, Hawkins, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sefzik, Sheldon, Stanford, Trudeau, Van De Wege, Warnick, Wellman, Wilson, C. and Wilson, J.

Voting nay: Senators Braun, Dozier, Fortunato, Holy, Honeyford, King, McCune, Muzzall, Padden, Schoesler, Short, Wagoner and Wilson, L.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1846, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1988, by House Committee on Appropriations (originally sponsored by Shewmake, Berry and Paul)

Concerning tax deferrals for investment projects in clean technology manufacturing, clean alternative fuels production, and renewable energy storage.

The measure was read the second time.

MOTION

Senator Schoesler moved that the following amendment no. 1495 by Senator Schoesler be adopted:

On page 6, line 22, after "receive a" insert "100 percent"
Beginning on page 6, line 23, after "this act" strike all material through "faith efforts" on page 8, line 8
Renummer the remaining subsection consecutively and correct any internal references accordingly.

Senator Schoesler spoke in favor of adoption of the amendment.

Senator Nguyen spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1495 by Senator Schoesler on page 6, line 22 to Second Substitute House Bill No. 1988.

The motion by Senator Schoesler did not carry and amendment

no. 1495 was not adopted by voice vote.

MOTION

On motion of Senator Nguyen, the rules were suspended, Second Substitute House Bill No. 1988 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Nguyen spoke in favor of passage of the bill.

Senator Wilson, L. spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1988.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1988 and the bill passed the Senate by the following vote: Yeas, 30; Nays, 19; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

SECOND SUBSTITUTE HOUSE BILL NO. 1988, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED HOUSE BILL NO. 1990, by Representatives Duerr, Slatter, Kloba, Walen and Fey

Concerning a sales and use tax deferral for projects to improve the state route number 167 and Interstate 405 corridor.

The measure was read the second time.

MOTION

On motion of Senator Kuderer, the rules were suspended, Engrossed House Bill No. 1990 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kuderer, King and Fortunato spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 1990.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 1990 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña,

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Salomon, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Honeyford and Schoesler

Voting nay: Senators Hasegawa and Wagoner

ENGROSSED HOUSE BILL NO. 1990, 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.

SUBSTITUTE HOUSE BILL NO. 2099, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

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

- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1241,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1497,
- SUBSTITUTE HOUSE BILL NO. 1593,
- SUBSTITUTE HOUSE BILL NO. 1617,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1629,
- HOUSE BILL NO. 1647,
- HOUSE BILL NO. 1648,
- HOUSE BILL NO. 1651,
- HOUSE BILL NO. 1700,
- SUBSTITUTE HOUSE BILL NO. 1701,
- HOUSE BILL NO. 1704,
- SUBSTITUTE HOUSE BILL NO. 1708,
- HOUSE BILL NO. 1738,
- HOUSE BILL NO. 1739,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5714,
- SUBSTITUTE SENATE BILL NO. 5741,
- SUBSTITUTE SENATE BILL NO. 5753,
- SUBSTITUTE SENATE BILL NO. 5799,
- ENGROSSED SENATE BILL NO. 5849,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5874.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 2099, by House Committee on Finance (originally sponsored by Berg, Frame and Sutherland)

Improving tax administration by waiving penalties and imposing interest in certain situations involving delayed tax payments, and by extending a statute of limitations period for certain egregious tax crimes.

The measure was read the second time.

MOTION

On motion of Senator Robinson, the rules were suspended, Substitute House Bill No. 2099 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 2099.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 2099 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland,

MOTION

Senator Pederson moved that the Senate be at ease for the purposes of caucuses and a lunch break.

Senator Warnick, Senator Hasegawa being temporarily unavailable and with the consent of both Leaderships, announced meetings of the Democratic and Republican Democratic caucuses to begin ten minutes following going at ease.

At 12:32 p.m., on motion of Senator Pedersen, the Senate was declared to be at ease subject to the call of the President.

AFTERNOON SESSION

The Senate was called to order at 2:03 p.m. by the President of the Senate, Lt. Governor Heck presiding.

MOTION

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Hunt moved that Jocelyn P. McCurtain Cooney, Senate Gubernatorial Appointment No. 9408, be confirmed as a member of the Public Disclosure Commission.

Senator Hunt spoke in favor of the motion.

APPOINTMENT OF JOCELYN P. MCCURTAIN COONEY

MOTION

On motion of Senator Wagoner, Senator Fortunato was excused.

The President declared the question before the Senate to be the confirmation of Jocelyn P. McCurtain Cooney, Senate Gubernatorial Appointment No. 9408, as a member of the Public Disclosure Commission.

The Secretary called the roll on the confirmation of Jocelyn P. McCurtain Cooney, Senate Gubernatorial Appointment No. 9408, as a member of the Public Disclosure Commission and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Fortunato

Jocelyn P. McCurtain Cooney, Sente Gubernatorial Appointment No. 9408, having received the constitutional majority was declared confirmed as a member of the Public Disclosure Commission.

MOTION

On motion of Senator Wilson, C., Senator Nguyen was excused.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Keiser moved that Cami Feek, Senate Gubernatorial Appointment No. 9299, be confirmed as a Director of the Employment Security Department - Agency Head.

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

MOTION

On motion of Senator Randall, Senator Trudeau was excused.

APPOINTMENT OF CAMI FEEK

The President declared the question before the Senate to be the confirmation of Cami Feek, Senate Gubernatorial Appointment No. 9299, as a Director of the Employment Security Department - Agency Head.

The Secretary called the roll on the confirmation of Cami Feek, Senate Gubernatorial Appointment No. 9299, as a Director of the Employment Security Department - Agency Head and the appointment was confirmed by the following vote: Yeas, 33; Nays, 13; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, Mullet, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sefzik, Sheldon, Stanford, Van De Wege, Warnick, Wellman and Wilson, C.

Voting nay: Senators Braun, Dozier, Gildon, Hawkins, Honeyford, McCune, Muzzall, Padden, Schoesler, Short, Wagoner, Wilson, J. and Wilson, L.

Excused: Senators Fortunato, Nguyen and Trudeau

Cami Feek, Senate Gubernatorial Appointment No. 9299, having received the constitutional majority was declared confirmed as a Director of the Employment Security Department - Agency Head.

MOTION

On motion of Senator Billig, pursuant to Senate Emergency Rule 1, the Committee on Rules was relieved of further consideration of the following measure and the measure were placed on the Second Reading Calendar:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1699.

MOTION

On motion of Senator Pedersen, the Senate reverted to the sixth order of business.

SECOND READING

HOUSE BILL NO. 2058, by Representatives Tharinger, Leavitt, Santos, Shewmake, Harris-Talley, Eslick and Lekanoff

Concerning the preservation and protection of facilities owned by the state parks and recreation commission that are listed on the Washington heritage register or the national register of historic places.

The measure was read the second time.

MOTION

Senator Rolfes moved that the following amendment no. 1468 by Senator Hasegawa be adopted:

On page 5, beginning on line 24, strike all of section 2 and insert the following:

"NEW SECTION. Sec. 2. (1) This section is the tax preference performance statement for the tax preferences contained in section 1, chapter . . . , Laws of 2022 (section 1 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to 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 encourage contributions to historically significant places listed on the national register of historic places or the Washington heritage register.

(4) If a review finds that the statewide amount of contributions made by lessees of state parks and recreation commission-owned historical sites for the purposes of maintaining or improving such sites has increased, then the legislature intends to extend the expiration date of this tax preference.

(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 data collected by the state.

"NEW SECTION. Sec. 3. Section 1 of this act expires January 1, 2034."

Renumber the remaining section consecutively.

On page 1, beginning on line 4 of the title, after "section;" strike "and providing an effective date" and insert "providing an effective date; and providing an expiration date"

Senator Hasegawa spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1468 by Senator Hasegawa on page 5, line 24 to House Bill No. 2058.

The motion by Senator Rolfes did not carry and amendment no. 1468 was not adopted by voice vote.

MOTION

On motion of Senator Van De Wege, the rules were suspended, House Bill No. 2058 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Van De Wege and Wilson, L. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 2058.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 2058 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

HOUSE BILL NO. 2058, 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

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

REPORT OF THE CONFERENCE COMMITTEE
Substitute House Bill No. 1876
March 9, 2022

MR. PRESIDENT:

MME. SPEAKER:

We of your conference committee, to whom was referred Substitute House Bill No. 1876, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes that the people have reserved for themselves the power to enact or reject legislation through the initiative and referendum process, as provided in Article II, section 1 of the state Constitution. The legislature finds that when exercising this right, the people are entitled to know the fiscal impact that their vote will have on public investments at the time they cast their ballots. The legislature further finds that when a ballot measure will affect funding for public investments, a neutral, nonprejudicial disclosure of the public investments affected will provide greater transparency and necessary information for voters.

NEW SECTION. Sec. 2. A new section is added to chapter 29A.72 RCW to read as follows:

(1) The attorney general must prepare a public investment impact disclosure for any ballot measure that:

(a) Repeals, levies, or modifies any tax or fee, including

changing the scope or application of an existing tax or fee; and
(b) Has a fiscal impact statement, as provided by RCW 29A.72.025, that shows that adoption of the measure would cause a net change in state revenue.

(2) The public investment impact disclosure must include a description of the investments that will be affected if the measure is adopted. The description must be sufficiently broad to reflect the subject of the investments that will be impacted by the change in revenue that will result from adoption of the measure, but also sufficiently precise to give notice of the subject matter of the investments that will be impacted by the change in revenue that will result from adoption of the measure. The description may not exceed 10 words, unless the fiscal impact is primarily to the state general fund, in which case the description must list the top three categories of state services funded by the general fund in the current state budget and may not exceed 15 words. The attorney general may consult with the office of financial management or any other state or local agencies as necessary to procure accurate information to draft the description.

(3) The format of the public investment impact disclosure, as it appears on the ballot, is:

"This measure would (increase or decrease) funding for (description of services)."

(4) In drafting the public investment impact disclosure, the attorney general must use neutral language that cannot reasonably be expected to create prejudice for or against the measure. The language of the disclosure is not subject to appeal, except as provided in this act.

(5) The attorney general must file the public investment impact disclosure with the secretary of state no later than July 23rd.

(6) The secretary of state must certify the public investment impact disclosure and timely transmit it to each county auditor for its inclusion on the ballot.

(7) Public investment impact disclosures are not considered part of the ballot title under this chapter and are not subject to any of the legal requirements for ballot titles.

Sec. 3. RCW 29A.72.050 and 2003 c 111 s 1806 are each amended to read as follows:

(1) The ballot title for an initiative to the people, an initiative to the legislature, a referendum bill, or a referendum measure consists of: (a) A statement of the subject of the measure; (b) a concise description of the measure; and (c) a question in the form prescribed in this section for the ballot measure in question. The statement of the subject of a measure must be sufficiently broad to reflect the subject of the measure, sufficiently precise to give notice of the measure's subject matter, and not exceed ten words. The concise description must contain no more than thirty words, be a true and impartial description of the measure's essential contents, clearly identify the proposition to be voted on, and not, to the extent reasonably possible, create prejudice either for or against the measure.

(2) If a public investment impact disclosure is required under section 2 of this act, the disclosure must appear in the middle of the ballot title, after the concise description and before the question. The disclosure is not, however, considered part of the ballot title and is not subject to any of the legal requirements for ballot titles under this chapter.

(3) For an initiative to the people, or for an initiative to the legislature for which the legislature has not proposed an alternative, the ballot title and public investment impact disclosure, if applicable, must be displayed on the ballot substantially as follows:

"Initiative Measure No. . . . concerns (statement of subject). This measure would (concise description). (Public investment impact disclosure, if applicable).

Should this measure be enacted into law?

Yes

No

~~((3))~~ (4) For an initiative to the legislature for which the legislature has proposed an alternative, the ballot title and public investment impact disclosure, if applicable, must be displayed on the ballot substantially as follows:

"Initiative Measure Nos. . . . and . . .B concern (statement of subject).

Initiative Measure No. . . . would (concise description).

(Public investment impact disclosure, if applicable).

As an alternative, the legislature has proposed Initiative Measure No. . . .B, which would (concise description).

(Public investment impact disclosure, if applicable).

1. Should either of these measures be enacted into law?

Yes

No

2. Regardless of whether you voted yes or no above, if one of these measures is enacted, which one should it be?

Measure No.

or

Measure No.

~~((4))~~ (5) For a referendum bill submitted to the people by the legislature, the ballot issue and public investment impact disclosure, if applicable, must be displayed on the ballot substantially as follows:

"The legislature has passed Bill No. . . . concerning (statement of subject). This bill would (concise description). (Public investment impact disclosure, if applicable). Should this bill be:

Approved

Rejected

~~((5))~~ (6) For a referendum measure by state voters on a bill the legislature has passed, the ballot issue and public investment impact disclosure, if applicable, must be displayed on the ballot substantially as follows:

"The legislature passed Bill No. . . . concerning (statement of subject) and voters have filed a sufficient referendum petition on this bill. This bill would (concise description). (Public investment impact disclosure, if applicable). Should this bill be:

Approved

Rejected

~~((6))~~ (7) The legislature may specify the statement of subject or concise description, or both, in a referendum bill that it refers to the people. The legislature may specify the concise description for an alternative it submits for an initiative to the legislature. If the legislature fails to specify these matters, the attorney general shall prepare the material that was not specified. The statement of subject and concise description as so provided must be included as part of the ballot title unless changed on appeal.

The attorney general shall specify the statement of subject and concise description for an initiative to the people, an initiative to the legislature, and a referendum measure. The statement of subject and concise description as so provided must be included as part of the ballot title unless changed on appeal.

Sec. 4. RCW 29A.72.290 and 2013 c 11 s 76 are each amended to read as follows:

The county auditor of each county shall print on the official ballots for the election at which initiative and referendum measures and measures for an advisory vote of the people are to be submitted to the people for their approval or rejection, the serial numbers ~~((and))~~, ballot titles, and public investment impact disclosures certified by the secretary of state and the serial numbers and short descriptions of measures for an advisory vote

of the people. They must appear under separate headings in the order of the serial numbers as follows:

(1) Initiatives to the people;

(2) Referendum measures;

(3) Referendum bills;

(4) Initiatives to the legislature;

(5) Initiatives to the legislature and legislative alternatives;

(6) Advisory votes;

(7) Proposed constitutional amendments.

Sec. 5. RCW 29A.72.025 and 2009 c 415 s 7 are each amended to read as follows:

The office of financial management, in consultation with the secretary of state, the attorney general, and any other appropriate state or local agency, shall prepare a fiscal impact statement for each of the following state ballot measures: (1) An initiative to the people that is certified to the ballot; (2) an initiative to the legislature that will appear on the ballot; (3) an alternative measure appearing on the ballot that the legislature proposes to an initiative to the legislature; (4) a referendum bill referred to voters by the legislature; and (5) a referendum measure appearing on the ballot. The secretary of state shall notify the office of financial management and the attorney general when the sponsor of a ballot measure has made an appointment to submit petitions to the secretary of state for filing. The office of financial management and appropriate state agencies may begin work on a fiscal impact statement prior to the submission of petitions. Fiscal impact statements must be written in clear and concise language, avoid legal and technical terms when possible, and be filed with the secretary of state no later than ~~((the tenth day of August))~~ July 23rd if a public investment impact disclosure is required under section 2 of this act, and no later than July 31st for all other measures. Fiscal impact statements may include easily understood graphics.

A fiscal impact statement must describe any projected increase or decrease in revenues, costs, expenditures, or indebtedness that the state or local governments will experience if the ballot measure were approved by state voters. Where appropriate, a fiscal impact statement may include both estimated dollar amounts and a description placing the estimated dollar amounts into context. A fiscal impact statement must include both a summary of not to exceed one hundred words and a more detailed statement that includes the assumptions that were made to develop the fiscal impacts.

Fiscal impact statements must be available online from the secretary of state's website and included in the state voters' pamphlet. Additional information may be posted on the website of the office of financial management.

NEW SECTION. Sec. 6. A new section is added to chapter 29A.72 RCW to read as follows:

Any persons, including either or both houses of the legislature, dissatisfied with the public investment impact disclosure for a state initiative or referendum may, within three days from the filing of the public investment impact disclosure in the office of the secretary of state, appeal to the superior court of Thurston county by petition setting forth the measure, the public investment impact disclosure, and their objections to the public investment impact disclosure and requesting amendment of the public investment impact disclosure by the court. Saturdays, Sundays, and legal holidays are not counted in calculating the time limits contained in this section.

A copy of the petition on appeal together with a notice that an appeal has been taken shall be served upon the secretary of state, upon the attorney general, and upon the person proposing the measure if the appeal is initiated by someone other than that person. Upon the filing of the petition on appeal or at the time to which the hearing may be adjourned by consent of the appellant,

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the court shall accord first priority to examining the proposed measure, the public investment impact disclosure, and the objections to that public investment impact disclosure, may hear arguments, and shall, within five days, render its decision and file with the secretary of state a certified copy of such public investment impact disclosure as it determines will meet the requirements of section 2 of this act. The decision of the superior court shall be final. Such appeal shall be heard without costs to either party."

On page 1, line 4 of the title, after "revenue;" strike the remainder of the title and insert "amending RCW 29A.72.050, 29A.72.290, and 29A.72.025; adding new sections to chapter 29A.72 RCW; and creating a new section."

And the bill do pass as recommended by the conference committee.

Signed by Senators Hunt and Kuderer; Representatives Gregerson and Valdez.

MOTION

Senator Hunt moved that the Report of the Conference Committee on Substitute House Bill No. 1876 be adopted.

Senator Hunt spoke in favor of the motion.

Senators Fortunato and Wilson, J. spoke against passage of the motion.

The President declared the question before the Senate to be the motion by Senator Hunt that the Report of the Conference Committee on Substitute House Bill No. 1876 be adopted.

The motion by Senator Hunt carried and the Report of the Conference Committee was adopted by voice vote.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1876, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1876, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 27; Nays, 22; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Mullet, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

SUBSTITUTE HOUSE BILL NO. 1876, as recommended by the Conference Committee, 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 TO LIMIT DEBATE

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

MOTION

On motion of Senator Pedersen, the Senate reverted to the sixth

order of business.

SIGNED BY THE PRESIDENT

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

- ENGROSSED 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

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1699, by House Committee on Appropriations (originally sponsored by Bergquist, Volz, Ryu, Leavitt, Chase, Robertson, Graham, Springer, Sells, Valdez, Dolan, Paul, Callan, Gilday, Goodman, Taylor, Macri, Ramos, Santos, Pollet, Griffey, Riccelli, Frame and Kloba)

Permitting individuals retired from the public employees retirement system, the teachers retirement system, and the school employees retirement system additional opportunities to work for a school district for up to 1,040 hours per school year while in receipt of pension benefits until July 1, 2025.

The measure was read the second time.

MOTION

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

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 41.32.570 and 2011 1st sp.s. c 47 s 10 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any monthly benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) Any retired teacher or retired administrator who enters service in any public educational institution in Washington state

at least one calendar month after his or her accrual date shall cease to receive pension payments while engaged in such service, after the retiree has rendered service for more than eight hundred sixty-seven hours in a school year.

(3)(a) Between the effective date of this section and July 1, 2025, a retiree who reenters employment more than one calendar month after his or her accrual date, and who enters service in a school district in a nonadministrative position shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a school year.

(b) Between the effective date of this section and July 1, 2025, a retiree that retired before January 1, 2022, and who enters service in a second-class school district, as defined in RCW 28A.300.065, as either a district superintendent or an in-school administrator shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a school year.

(4) The department shall collect and provide the state actuary with information relevant to the use of this section for the select committee on pension policy.

~~((4))~~ (5) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to be employed for more than five hundred twenty-five hours per year without a reduction of his or her pension.

Sec. 2. RCW 41.32.802 and 2011 1st sp.s. c 47 s 12 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2)(a) A retiree who has satisfied the break in employment requirement of subsection (1) of this section, may work up to eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or as a firefighter or law enforcement officer, as defined in RCW 41.26.030, or in a position covered by annuity and retirement income plans offered by institutions of higher education pursuant to RCW 28B.10.400, without suspension of his or her benefit.

(b) A retiree who has retired under the alternate early retirement provisions of RCW 41.32.765(3)(b) may be employed with an employer for up to 867 hours per calendar year without suspension of his or her benefit, provided that: (i) The retired teacher reenters employment more than one calendar month after his or her accrual date and after June 9, 2016; and (ii) the retired teacher is employed in a nonadministrative capacity.

(c)(i) Between the effective date of this section and July 1, 2025, a retiree who reenters employment more than one month after his or her accrual date, and who enters service in a school district in a nonadministrative position shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a calendar year.

(ii) Between the effective date of this section and July 1, 2025, a retiree that retired before January 1, 2022, and who enters service in a second-class school district, as defined in RCW 28A.300.065, as either a district superintendent or an in-school administrator shall continue to receive pension payments while

engaged in such service, until the retiree has rendered service for more than 1,040 hours in a calendar year.

(iii) The legislature reserves the right to amend or repeal this subsection (2)(c) in the future and no member or beneficiary has a contractual right to be employed for more than 867 hours in a calendar year without a reduction of his or her pension.

(3) If the retiree opts to reestablish membership under RCW 41.32.044, he or she terminates his or her retirement status and immediately becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible.

Sec. 3. RCW 41.32.862 and 2011 1st sp.s. c 47 s 14 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2)(a) A retiree who has satisfied the break in employment requirement of subsection (1) of this section, may work up to eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or as a firefighter or law enforcement officer, as defined in RCW 41.26.030, or in a position covered by annuity and retirement income plans offered by institutions of higher education pursuant to RCW 28B.10.400, without suspension of his or her benefit.

(b) A retiree who has retired under the alternate early retirement provisions of RCW 41.32.875(3)(b) may be employed with an employer for up to 867 hours per calendar year without suspension of his or her benefit, provided that: (i) The retired teacher reenters employment more than one calendar month after his or her accrual date and after June 9, 2016; and (ii) the retired teacher is employed in a nonadministrative capacity.

(c)(i) Between the effective date of this section and July 1, 2025, a retired teacher or retired administrator who reenters employment more than one month after his or her accrual date, and who enters service in a school district in a nonadministrative position shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a calendar year.

(ii) Between the effective date of this section and July 1, 2025, a retiree that retired before January 1, 2022, and who enters service in a second-class school district, as defined in RCW 28A.300.065, as either a district superintendent or an in-school administrator shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a calendar year.

(iii) The legislature reserves the right to amend or repeal this subsection (2)(c) in the future and no member or beneficiary has a contractual right to be employed for more than 867 hours in a calendar year without a reduction of his or her pension.

(3) If the retiree opts to reestablish membership under RCW 41.32.044, he or she terminates his or her retirement status and immediately becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible.

Sec. 4. RCW 41.35.060 and 2011 1st sp.s. c 47 s 15 are each

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amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every eight hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred sixty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2)(a) A retiree who has satisfied the break in employment requirement of subsection (1) of this section may work up to eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or as a firefighter or law enforcement officer, as defined in RCW 41.26.030, or in a position covered by annuity and retirement income plans offered by institutions of higher education pursuant to RCW 28B.10.400, without suspension of his or her benefit.

(b) A retiree in the school employees' retirement system plan 2 or plan 3 who has retired under the alternate early retirement provisions of RCW 41.35.420(3)(b) may be employed with an employer for up to 867 hours per calendar year without suspension of his or her benefit, provided that: (i) The retiree reenters employment more than one calendar month after his or her accrual date; and (ii) the retiree is employed in a nonadministrative position.

(c) Between the effective date of this section and July 1, 2025, a retiree, including a retiree who has retired under the alternate early retirement provisions of RCW 41.35.420(3)(b) or 41.35.680(3)(b), who reenters employment more than one month after his or her accrual date, and who enters service in a school district in a nonadministrative position shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a calendar year. The legislature reserves the right to amend or repeal this subsection (2)(c) in the future and no member or beneficiary has a contractual right to be employed for more than 867 hours in a calendar year without a reduction of his or her pension.

(3) If the retiree opts to reestablish membership under RCW 41.35.030, he or she terminates his or her retirement status and becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.35.420 or 41.35.680. However, if the right to retire is exercised to become effective before the member has rendered two uninterrupted years of service, the retirement formula and survivor options the member had at the time of the member's previous retirement shall be reinstated.

Sec. 5. RCW 41.40.037 and 2015 c 75 s 1 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every eight hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred sixty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2)(a) A retiree from plan 1, plan 2, or plan 3 who has satisfied the break in employment requirement of subsection (1) of this section may work up to eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, 41.37.010, or 41.40.010, or as a firefighter or law enforcement officer, as defined in RCW 41.26.030, or in a position covered by annuity and retirement income plans offered by institutions of higher education pursuant to RCW 28B.10.400, without suspension of his or her benefit.

(b) Between the effective date of this section and July 1, 2025, a retiree, including a retiree who has retired under the alternate early retirement provisions of RCW 41.40.630(3)(b) or 41.40.820(3)(b), who reenters employment more than 100 days after his or her accrual date, and who enters service in a school district in a nonadministrative position shall continue to receive pension payments while engaged in such service, until the retiree has rendered service for more than 1,040 hours in a calendar year.

(3) If the retiree opts to reestablish membership under RCW 41.40.023(12), he or she terminates his or her retirement status and becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.40.180. However, if the right to retire is exercised to become effective before the member has rendered two uninterrupted years of service, the retirement formula and survivor options the member had at the time of the member's previous retirement shall be reinstated.

(4) The department shall collect and provide the state actuary with information relevant to the use of this section for the select committee on pension policy.

(5) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to be employed for more than five months in a calendar year without a reduction of his or her pension.

NEW SECTION. Sec. 6. The following acts or parts of acts are each repealed:

(1)RCW 41.35.065 (Postretirement employment options) and 2019 c 295 s 308; and

(2)RCW 41.32.068 (Postretirement employment options) and 2019 c 295 s 307 & 2016 c 233 s 7.

NEW SECTION. Sec. 7. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 5 of the title, after "2025;" strike the remainder of the title and insert "amending RCW 41.32.570, 41.32.802, 41.32.862, 41.35.060, and 41.40.037; repealing RCW 41.35.065 and 41.32.068; and declaring an emergency."

Senator Robinson spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Engrossed Substitute House Bill No. 1699.

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

MOTION

On motion of Senator Pedersen, the rules were suspended, Engrossed Substitute House Bill No. 1699 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Rolfes, Padden, Short and Holy spoke in favor of

passage of the bill.

Senator Honeyford spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1699 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1699 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Hunt, Keiser, King, Kuderer, Lias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Braun, Honeyford, Schoesler and Wagoner

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1699 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Frockt: "Thank you Mr. President. I thank the Floor Leader for giving me this time to, I guess give my last speech, I guess this means I won't be able to speak for the rest of the day. Which is probably good, you're probably all tired of hearing from me. Mr. President, this is my last day as a voting senator. As I keep telling people, I'm actually, I still, I'm still senator until the end of the year but, unless we have a special session, this will be the last time I get to come to the floor of the Senate and vote. And I want to just, if I could, start and I always forget to do this, so I'm going to do this at the beginning and then I'll maybe do a little reflection at the end. I want to thank the people of my district, the people of the Forty-sixth District, who have elected me four times to serve them in this body. First to the House and then when I joined here in 2011 after one year in the House, it was in the wake of a really terrible tragedy. Many of you may remember my predecessor, Scott White, who passed away tragically, and it was a very difficult time to come in. And I, I think about this, I empathize quite a bit with Senator Sefzik, knowing that when you come and replace somebody who was well-liked, well-respected, it can be hard because you've got to figure out that you're not that person. You have to make your own, your own way, because I obviously hadn't intended, hadn't expected to be here. And I had incredible support. In particular from Scott's wife, Allison Carl White, who many of you may know, lobbies on many wonderful things here of late and she's a wonderful person. She gave me great support. I'm incredibly grateful for having had the opportunity serve the people of Seattle, North Seattle, Kenmore and Lake Forest Park. I just want to thank them profusely for the chance to have done so. It's truly been the honor of my life. It's what I always wanted to do. I want to thank my staff I've had, over the years. I've had wonderful people who've worked with me. I can be very, kind of, fastidious about the way I like to write and the way I like people to communicate my, letters and my emails and my newsletters and all of those things. They have all rolled with the punches with me. I'm so grateful to Samantha, Ann, John, Crystal, and now, Jessica, who's here in the wings with

us. And all of my session aides and interns who are too numerous to name. Our caucus staff. As I've gotten more seniority and – in this body – and I had more responsibility, they have been incredible to work with: Noha, Samir, Steven Ellis and, of course, Heather, who I served, many of you may not know because you weren't here, I actually was the Majority Floor Leader for about six hours in 2013 and then somebody called a press conference and I was no longer the Majority Floor Leader. I became the Minority Floor Leader for one year. Wasn't particularly good at it but Heather did an incredible job helping me not screw up as much as I could have otherwise. And, of course, my new, my colleague who was actually the Capital Budget staff lead my first year when I started doing that. When I was the ranking member, [the caucus staff lead] was Yasmin, who is now, I mean, it's incredible to, to, to see her and her rise in politics. She's a brilliant woman and is going to do great things around here. I'm so grateful to have her as a colleague at the end of my term. Some of the people at SCS [Senate Committee Services], I just want to mention and the committees I've worked on: Greg, LeighBeth, Evan Klein, Kevin Black, Wendy, Michael, Richard Ramsey, Sarian, Corbin and Sandy Stith. Those are just a few not everybody, by any stretch. And of course, my communications group that worked with me over the years: Rick, Amelia, Ken, and Aaron Wasser. Fabulous people. We are so blessed to have all of these people working with us and I'm completely blessed. I consider all of you friends. Hopefully friends for life even when we've had political disagreements. In particular, I just want to say a couple thank yous to some people I'm particularly close with, sort of my era: Christine, Jamie, Reuven and Andy and Mark Mullet. I am so grateful to have served with all of you. I thank you. You've been great friends, great confidants. Even when we've had disagreements, they've always been as friends – as they should be – and then we move on and we try to do the people's business. It's just been incredible. You're all incredible legislators. Incredible people. This, if I could just, can I give you just a sense of how I'm feeling about things at this moment? I kind of feel like a certain part of my life is coming to an end because it really started for me thirty years ago when I came out of college in 1991. I went, one week after graduation, I went down and took a job, opening the mail in the congressional office of my representative from where I'm originally from, Louisville, Kentucky. It was a man, a man named Rom Mazzoli. [The Honorable Romano Mazzoli, U.S. Representative, KY-3rd Congressional District] – actually, served with Governor Inslee for a couple of years at the beginning of the 90s – and that's a great experience to get to do that. Worked for him for about three years and he imparted something to me that I've always thought about, I've tried to, to live by in my public life, which is: never do anything you can't defend on the front page of the paper. And I think, overall, I think I've done that, with maybe a couple of exceptions of late but I've tried my best. At that time, I met my wife, Rebecca. Thirty years ago, probably will be 30 years ago. Yeah, this fall will be 30 years ago, 1992. I don't think she knew when she met me, and you know, after we were together for a while, that I would end up kind of doing this for the good part of my career and all that it entails. As all of us know the, you know, the burden of this can place on your families. So, I want to just tell her thank you and how much I love her and our family. She's supported me throughout this journey. At the times when I was stressed and anxious about a decision or a vote or because I took this job seriously. Sometimes I would take a vote and it would still stay with me and I know many of you probably had that experience that you wonder, 'Did you do the right thing?' Did you do the wrong thing? Why did you do the thing that you did? Did you not hold up to your own standards? But I just can't thank her enough for what she did and,

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of course, many of the times when I was here, she was taking care of our kids. She was trying to work as well. My twins, Sam and Annabel, who, when I started, were six years old and they're now eighteen years old, in college and travelling around the world together. It's just amazing. I can say that I wanted to do something significant in my professional career. I became a lawyer. I practiced law for thirteen years but, to be perfectly honest, it was not particularly satisfying to me. I'd had the experience in D.C. I was a political junkie and I said to myself, 'I want to give this one shot. I'm going to run for office and see what happens.' And I, and things kind of broke my way. An interesting story: Some of you may remember Dwight Pelz, who was the state party Democratic Chair? So the Democrats may remember. He tried to convince me to run for the Seattle City Council. The best decision I ever made...not to do that. [Laughter] No offense. Great public servants. It's a great job. Totally different kind of job because what we do here and the reason I love it, is we deal with the issues I saw in Washington, D.C., that got me so excited and so energized but we do them at the state level. We do them at the local level. We deal with health care and education and everything in between - taxes, tax policy. And, but you know, candidly, I think we do so much more in the short session. We people here really work so hard to make a difference for people and I'm so, I think it's just an amazing experience. I wish I could kind of convey that to people. If you haven't done it or been around it, it's hard to actually understand how much we do in a short time. I wanted to do a few simple things when I came here. I didn't want people to go bankrupt from paying health care bills. That's been the reason I've spent so much time on health care. Very simple. I had an experience when I went to college that I needed a lot of financial aid because of some things my family was going through at the time. I can say with confidence that the decision that somebody made to increase the help that my family needed at that time led me to this spot today and I've tried to pay it forward as much as I could. That's one of the reasons I've been so involved in College Bound; DreamAhead, which I'm so proud to have worked on many of you with many of you on; the College Grant, all of those things; extreme risk protection orders. I know we have severe disagreements about gun policy in this state, in this chamber, but I think we can all agree that ensuring that people who shouldn't have access to these weapons when they're in distress, when they're suicidal, when they may do harm to somebody, that we ought to have some process. The voters validated that. I was proud to author the first bill on that. That was very, very important to me, back in 2014 and I know to a moral certainty that that bill that it was passed by the voters eventually, it saved lives somewhere. We may not know exactly where but I know for a fact that it has. And lastly, I've really done a lot of work and tried to do a lot of work on access to behavioral health for children. Not just for those kids who need it because we want them to grow up and be healthy adults. We obviously have a gap and we're lacking in some ways here in this state, but I've seen what it can do to families. I can see how hard it is on families. I was just with some people just last weekend who were dealing with, have a very challenging situation with their child. You can just tell how hard it is on the parents who are trying to do their best for their child and if people don't have access to the help they need, and these are people with resources and people who don't have them may not know where to turn. I tried my best to pay that forward because I've had the opportunities to take care of people that were important to me. I think there's an art to being a good lawmaker. I think there's a skill to it. I think it means finding common ground whenever you can but also being willing to stand on principle whenever you must. It means being creative and it means being willing to listen hard and responding when

opponents may have a point that you hadn't considered and trying to incorporate that into what you're trying to do. I think sometimes that means don't always believe all of your own ... - I won't say it on the floor for the Senate - all the time. I think you've got to be humble in that regard. And I think it means try not to take things personally, even when you may be wickedly ticked off - and I can be pretty sensitive - but let it go. Move on. Understand that you maybe didn't win this one but, you know, if you work it out, something good will happen in the future. I think also remember it means remembering small things that your colleagues do for you. I've told the story, I don't know if I ever told it directly this person, but I will say it here. In 2014 or 2015, we were in the deep minority on this side of the aisle. The Transportation Chair was Senator King. I came to him and said, 'I have a bill that I need to pass for my city to deal with transit.' He probably doesn't even remember this because he doesn't like buses that much. So he probably didn't ... [Laughter] didn't really, didn't really remember it. He let the bill come up, spoke for it on the floor as I tried to move it. He caught such grief from a couple of members, Senator Zarelli and Senator Benton. I remember this personally, he stuck with me and voted, voted with the Democrats on that bill and I have never forgotten that. I just want people to know, if you're new here, sometimes you never know when someone is going to help you out. And you can help them out. I just think, like eight years later, I gave him a pool in Yakima. So it works out. [Laughter] Buses versus pools, I thought it was pretty good trade there. This is a really noble profession. I get tired of - yes, we deserve a lot of criticism from time to time - but I also know what's in people's hearts here who do this work, who commit to doing it, try to, to making things better. Sometimes we get it right, sometimes we get it wrong, but never apologize for what you, what you've done and what you tried to do. Always make sure that we do our best and continue to try to keep what divides us in check so that we can allow this great experiment to continue to be what our country is supposed to be. I see the best of that here so many times. Mr. President I'll just conclude by saying this: Every session for twelve, except for this last Covid session, I would always come down to the Capital the night before aw we're getting ready, getting excited for the first day. I would take a walk around or drive up, take a picture of the Capital at night, beautiful dome lit up, and just think about how lucky I was to have had the chance to serve; to do something I always wanted to do; that I thought was important; to give the work in my life meaning which, I think, this has. I'm so blessed to have had that opportunity. I hope that that inspiration, that looking at the dome at night, the inspiration it gave me, I hope it will continue to be inspiring to all of you and all who come after all of us. Thank you very much."

PERSONAL PRIVILEGE

Senator Billig: "Thank you Mr. President. Rising to say a few words about my friend, Senator David Frockt. It's hard to follow such eloquent and thoughtful words that he just spoke but I do have a few things I'd like to share. First is that, thank you. Thank you to him for being a friend over the last thirteen years. We've served for twelve years, but I've known him for thirteen years and I'll get to that in just a moment. Thank you for the work that he has done on behalf of his constituents, on behalf of everybody in Washington State. So, I came, when I was early in my first campaign, there was a Labor Council meeting in Seattle. I hadn't been very involved with Labor and somebody, one of the advisors I was working with, said 'I know you've got to go to this meeting in Seattle.' So, I go over and I stay the night in Seattle with my cousin, Nancy. I'm going out the next morning and had my

daughter Bella with me and she was going to spend the day with Nancy. So, I'm getting ready to leave in the morning to go to the Labor Council meeting and Nancy said, 'Oh, by the way, if you happen to run into a guy named David Frockt, tell him that I said hello and you should get to know him a little bit.' I was like, 'Well, who's he?' 'Oh, my college roommate, my best friend, it's her husband.' So, I was like, well that's pretty close. That's pretty cool but what are the chances I'll even meet him? So, I go down there and walk in and sure enough I bump right into David Frockt. We make the connection and we've been friends ever since, and colleagues, for most of that time. As much, I mean, I value David so much as a friend but I also value him for his work as a Senator. He sometimes, I sometimes say that here we work on ten thousand different issues but most people are only an expert in two or three or four. It's hard to be an expert. You want to really get into the weeds, and you serve on a committee, and you really get to know – that's how this place really works well, because we need people who are experts in all different areas. But David actually has an incredible diversity of expertise here in the Legislature. He was a leader in K-12, a leader in higher ed, leader in behavioral health and health care. He's been the Vice Chair of the operating budget and the lead on the capital budget. He was the floor leader. And it's hard to be an expert on all of those things. To be so good, to be so thoughtful, and so quick. I mean this year we had some changes happen in our caucus and we needed somebody to be the Chair of the Behavioral Health Committee. Of course, David stepped right up and did an amazing job. One of the things that doesn't get a lot of attention is his work, I mean is work on capital budget certainly is well known and appreciated but a few years ago he worked on the MOTCA [Model Toxic Control Account] program. And this is a really important program about cleaning up toxic pollution in our state. And he reformed the way that we do MOTCA. That's really in the weeds. To say, 'I'm going to get down there. I'm going to spend a lot of time and energy to change the way we do MOTCA.' And our state is cleaner and better because of it. And I sometimes joke, but I may actually have a bill on this next year, that we shouldn't call it 'MOTCA,' we should call it 'FROCKTA,' in honor of him. So, I don't know what David is going to do next but I know it will be meaningful and I know that I'll be following him and staying in touch with him. And I appreciate him so much. Thank you, Mr. President."

PERSONAL PRIVILEGE

Senator Wagoner: "I've been somewhat mesmerized by what I've been hearing in the last few minutes. I hope it's okay to have favorites in the body that doesn't caucus with me because I do. Senator Frockt is at the top of that list. I remember when I first came to this body, some of our first interactions, when David was kind of trying to figure out where I stood, and came and asked me how I would feel about, I think it was the magazine capacity bill, several sessions back. We didn't agree on that and we have not agreed on lots of things over the years but Senator Frockt is a consummate gentleman. He never held a grudge. There were issues where he could have easily held a grudge, police pursuit one, you know, with his personal experience with his grandparents but I always remembered and I'm on the other side of that issue. He could have easily held a grudge. But the truth is, when you're in the minority, you don't get much done that's meaningful unless you can connect with folks on the other side who have the big levers. Senator Frockt never held a grudge and when I needed a lever pulled, and it was important to me, he always came through. I have to admit that I have more success for my district based on actions that Senator Frockt took for me than I have from, from this side of the aisle. And I will never forget that."

PERSONAL PRIVILEGE

Senator Pedersen: "Thank you very much. Mr. President, it's, boy, it's hard to lose both my neighbor to the west and my neighbor to the north in two days. It's, it really is going to be a less rich place. So, twelve years ago, Mr. President, young Representative Frockt showed up to serve with me in the House Judiciary Committee. I was so privileged to get to know and start to work with him there. We have been able to collaborate on some of the things that, I think, when I'm finished, I will have been most proud of. One of those was that the two of us and Speaker Jenkins organized a challenge to a series of ballot initiatives that purported to require two-thirds majorities for raising taxes. David and Laurie and I and the former Speaker sort of orchestrated the whole thing and then and then set off the case where that had not previously been successful. They went to the state Supreme Court and restored majority rule in our state on tax policy which I think is really historic. David was absolutely integral to that effort. I think, also, Mr. President, about a day in the immediate aftermath of the Sandy Hook shooting when David and Speaker Chopp came to my office at McKinstry and met with the folks who ultimately went on to organize the Alliance for Gun Responsibility and have run a series of initiatives, including extreme risk protection order initiative, that Senator Frockt mentioned. Right from the beginning of that effort, with both big picture moral clarity and very detailed and strategic ideas about how that effort should proceed, Senator Frockt was in the middle of those decisions. Adding to the list of things that Senator Billig referenced, that Senator Frockt has really been instrumental in a lot of the significant progress that we have made over time. When I think of one question, and it's interesting that it's a question that I probably associate with Senator Frockt more than anything else, it's, 'Well, what do you think?' Because I think more than anybody else that I've served with in the years that I've been doing this, I think almost every conversation that I've ever had with him, he's truly, deeply, interested in what my opinion is on whatever we're talking about. I think that that's probably a process that has been repeated with most of the people that he talks with because he really is. He's curious; he's thoughtful; he's considerate. And as long as we're going through points of the scout law, I guess I want to mention, Mr. President, that some months ago I was, I had my younger boys were working on their First Class rank. Part of that is that they have to speak with a lawyer or an elected official about the rights and duties and obligations of American citizens. So I was thinking, you know, 'Gosh, who could I get them to speak with?' I asked Senator Frockt if he'd be willing to talk with them, thinking that we would probably set up a Zoom call or something and they could ask him a few questions. Instead, he invited them over to pizza and bought Pagliacci and we had a lovely evening at his house and just a fabulous, wide-ranging conversation. He was a consummate host and a great teacher for them. Mr. President, the only consolation in terms of losing Senator Frockt as a colleague, is that I get to gain him as a constituent given the changes in the boundary lines. And I am very much looking forward to continuing our friendship after he leaves this body. Thank you."

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced His Excellency, Governor Jay Inslee, who was present in the wings of the and recognized by the Senate.

PERSONAL PRIVILEGE

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Senator Braun: “Thank you. So, I rise just to say a few words about my friend and colleague David Frockt. We, I arrived shortly after he did in the Senate, so he had already figured everything out. So, naturally, I look to him for advice ... but we, as a result, when I was early in the Senate, we got to work on some really important issues, I think. And it's one just one part of the breadth of the work that David has done over the years, but but we had to work together on the tuition reduction. That went on for a while but we've worked through the details and David was always a positive force trying to identify problem, not just identifying challenges we'd have, but helping find solutions. How do we get this to work and work for all of Washington? And then, thanks in part because of that we had the next year, we came back and we had an opportunity with the GET [Guaranteed Education Tuition] program. Those of you familiar with the GET program, at that time, it was sort of underwater. The tuition helped that but also gave us some opportunity to work and turn that into a 529. I worked with both Senator Frockt and Senator Mullet when they were in the minority at the time, but they had to run that bill. That turned out to be, if you happen to have your children signed up for GET or for the 529 program, one of the best bills I think we've seen here. I mean, really did good work for people who are trying to save and get their children through college. That, you know, it's gone on and on. I think the net of it is, when you look at our system, both in terms of the cost intuition, the ability to get help if you need help, and from your College Bound or whatever. We have, I would argue, and you've heard me say this before, one of the best systems in the country. I think that is in large part due to the work of David Frockt. So, thousands of children in our state have a great opportunity to participate in higher education. I think David should be very proud of the work that he did to make that possible in our state. Later on we had the chance to work together mostly on budget issues. At the time David did some operating budget issues, and we worked together there but what I really want to highlight is his work on the Capital Budget. Even though I've never worked with him directly as a negotiator on the Capital Budget, I have always been impressed with two things: One, it's just, inherently, the way he operates is fair. It's equitable. It's really trying to find the best solution for everybody regardless of your district. The other part of it is he was truly interested in every project. It didn't matter if it was in the Twentieth District, or somewhere on the east side of the state or the north, northwest part of the state or in downtown Seattle. He's genuinely interested in saying, 'How do we make this work for everybody in the state?' That doesn't just doesn't happen all the time. Arguably, and without giving offense to anyone else who's done the Capital Budget, I think David has done an exceptional job balancing that and really working even in what are sometimes controversial, political with political tensions. He has driven a very bipartisan, very thoughtful process and I've always admired that. You know, and then of course, we have a shared, because, partly because it is in this district and partly because I'm an alumni, we have a shared interest in the University of Washington that I've always enjoyed. We've had the opportunity to work on a number of efforts to help them be more successful and deliver higher education to our children. You know much has been said about David and I just want to share my thoughts. No surprise: He's honorable. You can trust. If he says, 'this is going to happen,' it's going to happen. And the other way too. If he says, nope, that can't work, he will be honest and tell you that that's just not going to work. It's not going to be that way. And I, anybody that's worked in this job very long, comes to really appreciate that. Even if we disagree, if you know they're telling you exactly how it is, and you know you can trust that, that's valuable. He is, of course, an eloquent speaker as we heard earlier but the thing I always like

about when David speaks – and he doesn't rise to speak on everything, he's very selective on what he talks about – but when he rises, you know, if you're going to hear about a very complex subject distilled down into the very essence of what matters. That gives you very good clarity. Now, when you get down to that nut of, you know, if you decide, 'Is this a good idea or a bad idea?' We don't always agree but what I know is he is going to be able to take that complex situation and get to the most important part. I always deeply appreciate that. He's very deliberate. He thinks about, I mean what, what he does as well as, you always know is, if it's a David Frockt bill, it's a serious bill. It doesn't do unserious things. He's here to make things better. He's not here to just have a bill so he can check a box. He wants to make things better, often on very complex topics. Then the last thing I'd say, Mr. President, I think this, to me is maybe the most important, he is just very genuine. You feel that as soon as you have a conversation with him. You know he's listening to you. You know he cares about what you say and it's going to make a difference in how he thinks about a topic. It doesn't mean it would change his mind but he genuinely considers what you have to say as he deliberates. I just want to thank David for the work here in the Senate. I had the good fortune, my wife and I, to meet his wife, Rebecca, just a month or two, I guess it's been three months ago. I wish them both much, much joy as they move on to the next stage of their lives. Thank you, Mr. President.”

PERSONAL PRIVILEGE

Senator Trudeau: “Thank you Mr. President. As I mentioned in an earlier speech, I had the opportunity to staff the Senate Democratic Caucus and then went on to staff the Attorney General in the Attorney General's Office where I actually really saw myself as an extension of staff members to folks on both sides of the aisle. Any time a member needed something I would do my best to get it but I have to say that staffing Senator Frockt was actually a huge highlight in my professional career. As staff, you rarely get, well, you get an intimate look into the behavior of an individual when nobody else is around. I think, of all the folks that I've had a chance to work directly with and directly for, I can honestly say that Senator Frockt didn't just appreciate me or staff when the work was done but would take a pause and ask questions about how we felt – which sometimes is really uncomfortable as a staff person to be that to be asked the question, 'Well what do you think?' But he did ask those questions and he would lift me up in that at moments of discomfort and say, 'No, I really want to know. You have a little bit of knowledge on this. Yasmin, what do you think?' And when I joined the body in this new capacity, it was a difficult transition to think about how to put forward my own ideas, and my own values. And it was Senator Frockt who said, 'Yasmin, you're here. You're here because you earned it and this is the moment for you to express what you feel.' I can't tell you what that meant to me, Mr. President. I don't know that I actually ever told Senator Frockt what it meant to me but it will always stay in my heart. I think that, you know, having that perspective of him is so deep and so meaningful. When we talk about in here, all the floor speeches, about how genuine of a human being he truly really is, I just wanted to stand up and say that I can confirm that Senator David Frockt is a good man. It's a huge loss to this body but, whatever he does next, I know will be amazing, and anybody that gets to work for him and with him will be blessed in that opportunity. Thank you, Mr. President.”

PERSONAL PRIVILEGE

Senator Brown: “Thank you Mr. President. Well, I also have a

story about David. I don't know if he will remember this or not but similar to the Senator King story, several years ago, when the balance of power was a little bit different around here, David came to me and asked me for some assistance on a program called the PAL Program. And I thought, 'What the heck is his PAL Program?' And so, I went out to my office and did a little bit of research and found out that it was called the Partnership Access Line and it was for Children's Hospital. I thought, 'Holy cow, this is a fantastic program.' So, I went to bat with my caucus to get that program additionally funded and got a lot of push-back, initially, because they said, 'Well, Senator Brown, you know, that's not in your district.' I said 'It doesn't matter. It's for the benefit of the entire state at some point, and it's for behavioral health. We've got a support this.' And so ultimately, we did. Then, lo and behold, the balance of power changes. A few years go by and I approach David and I said, 'David, you know, I've got this project in my district. It's the Juvenile Justice Center. If you could find it in, you know, in the budget that'd be great for a little bit of additional help.' He said, 'You know, I'll see what I can do.' And, lo and behold, when the budgets landed, there was the funding for the Benton Franklin Juvenile Justice Center. I don't say the story because I am talking about quid pro quo situations. I'm saying it because it exemplifies what we all come here to do. What's the benefit for everyone in this state? And David certainly has exemplified that."

PERSONAL PRIVILEGE

Senator Mullet: "Thank you Mr. President. I guess for the entire ten years I've been here, Senator Frockt is probably one of my closest friends ... in the Senate. I think we saw in his speech tonight or today, I guess it's not evening yet, the reason why that is. He's very eloquent. He's very smart. I think of the core of why you so likable, if it was a TV series, he'd be the guy in the TV series you're always cheering for it to win. It's because he's like the king of self-deprecating humor. I mean for somebody who's so wicked smart on a variety of topics. He is extremely humble. I think that is one of the core reasons why he is so likeable in this chamber across both sides of the aisle. Since this is, you know, he has been involved all three my campaigns, '12, '16 and '20. He would come out to the district. He would joke, 'Don't tell people in Seattle I'm here to help you.' That was a serious joke in 2020. Yeah. hat says a lot, I think about he does. He would devote his own personal time in the interim to help me get reelected. I was always very appreciative of that. Since this is a chance – I know Senator Frockt hates embarrassing stories about himself. This is what happens. It is your last day here. I get to share an embarrassing story about David Frockt. We were here and we were going out to dinner. We had to travel in our two separate cars, a grand total of about four blocks. In that four blocks Senator Frockt managed to hit a teenager who was driving. Nobody got hurt. The teenager opened the car, was kind of like a scene out of *Fast Times at Ridgemont High*. I think he was clearly smoking something, but it was the State Senator Frockt. He's very honest. He admitted it was his fault. Hit the teenager, and his car is all messed up and he let Rebecca know and it's one of those conversations where you can hear Rebecca on the line clearly not very happy that Senator Frockt has been a car accident in Olympia. I was staying in the prestigious establishment, The Governor Hotel. I had two rooms in my, you know, two beds. I said, 'Hey, you can crash in my bed tonight. Your car doesn't look like it is going to make it back to Seattle.' And this is the best part of the story. Senator Frockt took that other bed. Left his laptop in his bag and stuff in the car which, in the parking lot of The Governor Hotel, proceeded to get stolen that night. That was David Frockt's, one of his worst twelve hours, I think, in

Olympia. I was there to witness it. I just thought everyone would enjoy that." [Laughter]

REMARKS BY THE PRESIDENT

President Heck: "The moral of the story is: Don't go to dinner with Senator Mullet." [Laughter]

PERSONAL PRIVILEGE

Senator Padden: "Thank you Mr. President. Well, David seems far too young to be leaving the Senate. He had such a distinguished legal career. I very much enjoyed, during the time I got to chair the Law & Justice Committee, having David as a member. We worked on a number of issues together. I'll mention a couple of those but when I think of David, I mean, the one word that really comes out to me is decency. You know, it was, it was traumatic almost, for me, when David left the Committee to make other pursuits, and be a big guy on Ways and Means with the Capital Budget but, you know, when he, I'm sure it was a very difficult decision, to decide not to run again, I remember one election he got 80% of the vote. He kind of alluded to Ecclesiastics when he announced his retirement, you know, that there's a time for everything, and a season for every activity under heaven, a time to be born and a time to die. So, he's got another time ahead of him and I'm sure he'll make an impact. I did very much enjoy, not only when we did our major investigation into the Department of Corrections and actually got subpoena power from F & O, and had FBI, former FBI attorneys, doing investigations but I really appreciated his support on the efforts to strengthen the driving impaired legislation. He had a really serious accident, actually not an accident. It was a vehicular homicide up in his district, up in Wedgewood, and that impacted him so much. We always chatted because, I mean, I grew up in an area of what is now the Forty-sixth District. And so, we would talk about that. We'd talk about his time as a congressional aide to a congressman from Kentucky and his growing up in the Louisville area. I remember when he went back home when his father died and talked about that. I will miss him greatly as one of the true, really a decent gentleman of the Senate and wish him the absolute best. Thank you, Mr. President."

PERSONAL PRIVILEGE

Senator Saldaña: "Well, I would like to first, before I speak directly to Senator Frockt, to just acknowledge that it seems like we are having a major transition in this body and is so great. I love listening to people's stories and to acknowledge like what happened about thirteen, twelve years ago. For so many of you when you came in, also having small children, like many of us that are here today and to know that. How successful and how meaningful it was for the people of Washington State to have your service here. Senator Brown, Senator Sheldon, Senator Carlyle, and Senator Frockt and to know your children in little bits, the stories that you've told but, in particular, in Senator Frockt's and also Senator Carlyle's time, being able to meet your children as Pages here. When I first came, there was always people watching us above and I was texted by one of the lobbyists about how expressive my face was when certain people were speaking. It made me more conscious about what do I want to display, but I always knew I was in great company because one of my greatest joys is being able to look at Senator Frockt. He has a very expressive face. You don't get to really enjoy it fully with these masks but when there's something that said that he finds, you know, quite below him, there's just a whole-body expression that he does of a rolling of his eyes. When his son was here, it was

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such a joy to look over and see both of them have that same expression. So I am so happy that Senator Frockt will be able to spend more time with his young people in his life. I know they bring him such joy and I know they are so proud of him as well. And really, I think the other piece that I want to mention is so many of the things just ditto of what other people said about Senator Frockt but I think the piece that I will take from him is that he, I think, has that graciousness and has that humility. Because he, as much as he has done this work for so many years, he has not lost hope. He always sees the best in the person that he's speaking with. He always holds on hope that they are going to come around and, and I find that so energizing. As someone that often feels very frustrated that I, I see the pain, and the sorrow and the urgency in so many issues that come before us and that we are facing as a state. But I do so appreciate and find such solace and encouragement by the way that he approaches things. Again, I just want to also thank him for being so thoughtful about how he thinks about our resources and of how we can invest our capital dollars back into our state. I have appreciated the fact of how he has seen MOTCA as a way that we can cultivate the kind of economic development that my, my town needs so much. My neighborhoods need so much. The healthy housing pilot that has turned into an investment that can now be seen and replicated across our state was because of his vision and his commitment to making that happen. So just want to thank him for being as caring about every constituent in every part of our state. I hope that we can continue his legacy. Thank you."

PERSONAL PRIVILEGE

Senator Hawkins: "Well, I am so glad I came back for this final week. You know, I've been stuck in Zoom, Zoom-land, but it's so special to be a part of this and to hear some of these discussions. So, this will be the second kind thing I'll say about a Seattle Democrat in the past two days, but the State Senate will not be the same without Senator David Frockt. I have so greatly appreciated my communications with him over the years and our great working relation is ship. He's always been there for me, to listen. Being a good listener, something people have described him as. And he's always been so steady in his temperament. Every time I've approached him on something, and some of the things are always a little sticky too, they haven't always been easy things, but he might remember some of these. So the Wenatchee Landing sewer extension. I thank him for that Mr. President. Our community center renovations, he was a key part of that. The community center; the community forest project in Lake Wenatchee, you know, I had talked to him about that many times. He actually went to bat for my district. Multiple times. Really put himself out there, sort of like what Senator Brown was saying, he puts himself out there for other people's districts. That's something that is so generous and so special and something we should all be willing to take with us and try to model and emulate that behavior. And most recently, the city pool repairs. The way he's been described, I think for Senator Pedersen and Senator Braun, I just wanted to totally agree with. He's honest. He's kind. He's trustworthy. He's thorough. He has that steady temperament no matter what. Even if it's not on the inside, that that's how he's projecting on the outside. And that's so important for this job. He's humble. And he's an excellent listener, as some people have said. So I'm just going to try to internalize these things and try to emulate that behavior in the coming years and think of Senator Frockt. Also, you know, people have said, 'You know, he cares so much about the whole state.' And that is true because a couple years ago he drove to my district to meet with my land trust constituents. Honestly, I think most of them were Democrats so

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they really were excited to see someone like him, with his prominence and stuff, but they were, they're great people and he, we met with them for an hour. He was so genuine in his discussions and really cared about the projects. Then, in the same day, he drove back home across a mountain pass to get home. So, you know, he does really care about this entire state. We will miss him. I will miss him and I wish him in his family, the very best."

PERSONAL PRIVILEGE

Senator Carlyle: "Thank you. Mr. President. My good friend David is a servant-leader and his kindness and his gentleness and his thoughtfulness and so many other adjectives are real and authentic but what I appreciate, I think, the most is that he just has a personal grace. I think his ethics and his values and his intellectual rigor in this work is what I've aspired to try to achieve and find it virtually impossible. He brings so much ability, intellectually and emotionally and spiritually, to this work that I cannot overstate my admiration. It was very painful for me, initially, to build a strong relationship with him because Scott White was a very close friend of mine as well. It was painful because it seemed to be about disequilibrium with Scott's early passing at age forty-one and it just seemed like the universe was a-kill. And yet in so many ways, I think his thoughtfulness in honoring the work of his community, the work of constituents, but the work of quiet, humble attention to the issues that really touch our quality of life was such an inspiration. So there's the policy level and then there's the personal level. And I just find and have found this wonderful rich tapestry of balance between them, which is a gift. I want to mention, just very briefly, that David's passion for pediatric behavioral health is so important. So many families are really suffering and desperately need the kind of services that David has gravitated toward providing in his work. And I find myself appreciating that we've gone from really near the bottom in the country to really journey toward a high-quality system. And that is an incredible legacy. It's just so meaningful for so many families who are really hurting. And those families, as he mentioned, are the lowest income, the middle income, top income. It's not about that really. It's about access. It's about availability. It's about workforce. It's about training. It's about institutions. It's about community services. He has been more than a leader. He's been a thought-leader in making that happen. It's just an honorable and a noble and righteous legacy. I would express how much joy I used to get out of when David and I, as two Jewish guys, would struggle with an issue on the one hand, on the other hand, and then you add, on top of that, that he's a lawyer ... so on the one hand; on the other hand; on the one hand; on the other hand; goes on for a month. We walk up to Jamie and talk to him privately and say, 'What do you think?' And he'd give us that straight dead-panned, Lutheran answer, 'Well, here's the situation.' And the two of us would look at each other and say, 'Okay, I think that makes sense.' So he was sort of the arbiter. I just, I so admire my friend David and I just appreciate the honor of being his partner in this work. I'm grateful to all of you for the support that you've provided to him because, through that unyielding support, we have done some amazing work in the policy and the political areas that he has chosen. It's a great legacy and it's a great honor to be your partner in service. Thank you, Mr. President."

PERSONAL PRIVILEGE

Senator King: "Thank you. Well, David, I don't remember that story that you told. If it happened the way you reported it, I'm grateful but, I honestly have to tell you, I think you've done way

more for me than I ever did for you. I want to go back a couple, well, several years, because his predecessor, Scott White, Senator White, was, I had worked with him for a couple of years on a couple of bills that at in my stature then was really important to me, and I got to know Senator White and before he passed away. I think all of us recognized him as a rising star in the Senate. Whether you, either side of the aisle, he was, he was just a rising star. I remember thinking after he passed away, who in the world are they going to get to try and replace Scott White? Well, guess who showed up? Let me tell you, you more than filled those shoes. We're going to miss you, pal. Wish you well."

PERSONAL PRIVILEGE

Senator Honeyford: "Thank you Mr. President. Well, I've been concerned about the direction the Legislature's going and sometimes think that we rival Washington, D.C., in our partisanship but there is a light in the wilderness and that is Senator David Frockt. He believed in a bipartisan solution to the Capital Budget. He involved us all in that solution. It worked very well. I thank him for that. And I know he didn't hold a grudge against me because I remember when I was in charge, he needed something and I said, 'I just can't do that'. And he said, 'Jim, you're killing me.' But he didn't hold that against me. I don't even remember what the issue was, but thank you, David. It's been a pleasure working on a bipartisan manner with you. I hope we can do more of that in this Legislature. Thank you, Mr. President."

PERSONAL PRIVILEGE

Senator Cleveland: "Thank you Mr. President. While I have served with Senator Frockt here in the Senate for the past ten years and Senator Frockt has served on the Health & Long Term Care Committee that entire time. In the last two years he served as Vice Chair and provided invaluable support to me as a chair in accomplishing the work of our committee. He has been just a tremendous champion, particularly in increasing access to affordable health care coverage. David, when I think of words to describe him, I would say he's thorough to a fault. He's reasoned and as has already been said, he is deliberate. You know the people of our state are better off for his hard work. Senator Frockt has shepherded so many strong policies to final passage that it's impossible to try to list them all today but I have to at least highlight, specific to health care, that they include: the copay accumulator, that's aimed at helping patients lower their health care costs; premium subsidy program in our state, to help individuals afford health care insurance premiums; and a public option health care plan, the first in our country that offers more affordable health care insurance to individuals and families. So, in addition, as has already been said, to his health care work, he's ably led our caucus in assembling the Capital Budget for many years. Through that work, he has impacted truly every single corner of this state, including in my community. Through that work his legacy will be felt, I think, across our state for generations. I hope David, that, that work if nothing else today, you take that word legacy with you as you leave. I think there's nothing more that any of us legislators can hope to achieve here in the Legislature than to leave a legacy as broad as yours. As you leave David, I want to say, I will miss you. I will miss your dry humor. I will miss your tendency to worry, a lot, and I want you to know your example of leadership, I've learned so much from. I thank you for your steady leadership, for your friendship, and all that you've done to improve the lives of Washingtonians and just wish you all the success as you go on to take on new challenges. Thank you."

PERSONAL PRIVILEGE

Senator Schoesler: "Well, brevity may help now after many speeches, but rising to speak on my colleague. He has no reason to tolerate me. I shortened his career as majority floor leader – had something to do with that. I've been unkind to lawyers, his chosen profession. I own a variety of firearms, much to his chagrin. Our districts are diametrically opposite but we have still been able, for about a decade, to have frank, honest discussions, irregardless of which one of us was in the majority. Whether we were leader or servant, we could always have frank, private discussions and, amazingly, he tolerates me. Thank you for your service David."

The Senate rose in appreciation and acknowledgment of The Honorable David Frockt, Senator, Forty-sixth Legislative District, and his years of service to the Senate and the State..

SIGNED BY THE PRESIDENT

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

HOUSE BILL NO. 1622,
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,
and SECOND SUBSTITUTE HOUSE BILL NO. 2078.

MOTION

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

MOTION

Senator Braun moved that the Senate immediately consider Engrossed Senate Bill No. 5919, concerning the standard for law enforcement authority to detain or pursue persons.

POINT OF ORDER

Senator Pedersen: "Mr. President, a motion to immediately consider something that is on a concurrence calendar is not in order when we are on the seventh order of business."

President Heck: "Senator Braun?"

Senator Braun: "Mr. President, I move that we revert to the fourth order."

Senator Pedersen objected to the motion by Senator Braun to revert to the fourth order of business.

The President declared the question before the Senate to be the motion by Senator Braun that the Senate revert to the fourth order of business.

The motion to revert to the fourth order of business did not

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 carry by voice vote.

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REPORT OF THE CONFERENCE COMMITTEE
 Engrossed Second Substitute House Bill No. 1099.
 March 9, 2022

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed Second Substitute House Bill No. 1099, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 36.70A.020 and 2021 c 254 s 1 are each amended to read as follows:

The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those counties and cities that are required or choose to plan under RCW 36.70A.040 and, where specified, also guide the development of regional policies, plans, and strategies adopted under RCW 36.70A.210 and chapter 47.80 RCW. The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans ~~((and))~~, development regulations, and, where specified, regional plans, policies, and strategies:

(1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

(2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

(3) Transportation. Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled, and are based on regional priorities and coordinated with county and city comprehensive plans.

(4) Housing. Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

(5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

(6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

(7) Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

(8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.

(9) Open space and recreation. Retain open space and

greenspace, enhance recreational opportunities, ~~((conserve))~~ enhance fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

(10) Environment. Protect and enhance the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

(11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.

(12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

(13) Historic preservation. Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.

(14) Climate change and resiliency. Ensure that comprehensive plans, development regulations, and regional policies, plans, and strategies under RCW 36.70A.210 and chapter 47.80 RCW adapt to and mitigate the effects of a changing climate, support reductions in greenhouse gas emissions and per capita vehicle miles traveled, prepare for climate impact scenarios, foster resiliency to climate impacts and natural hazards, protect and enhance environmental, economic, and human health and safety, and advance environmental justice.

Sec. 2. RCW 36.70A.480 and 2010 c 107 s 2 are each amended to read as follows:

(1) For shorelines of the state, the goals and policies of the shoreline management act as set forth in RCW 90.58.020 are added as one of the goals of this chapter as set forth in RCW 36.70A.020 without creating an order of priority among the ~~((fourteen))~~ 15 goals. The goals and policies of a shoreline master program for a county or city approved under chapter 90.58 RCW shall be considered an element of the county or city's comprehensive plan. All other portions of the shoreline master program for a county or city adopted under chapter 90.58 RCW, including use regulations, shall be considered a part of the county or city's development regulations.

(2) The shoreline master program shall be adopted pursuant to the procedures of chapter 90.58 RCW rather than the goals, policies, and procedures set forth in this chapter for the adoption of a comprehensive plan or development regulations.

(3)(a) The policies, goals, and provisions of chapter 90.58 RCW and applicable guidelines shall be the sole basis for determining compliance of a shoreline master program with this chapter except as the shoreline master program is required to comply with the internal consistency provisions of RCW 36.70A.070, 36.70A.040(4), 35.63.125, and 35A.63.105.

(b) Except as otherwise provided in (c) of this subsection, development regulations adopted under this chapter to protect critical areas within shorelines of the state apply within shorelines of the state until the department of ecology approves one of the following: A comprehensive master program update, as defined in RCW 90.58.030; a segment of a master program relating to critical areas, as provided in RCW 90.58.090; or a new or amended master program approved by the department of ecology on or after March 1, 2002, as provided in RCW 90.58.080. The adoption or update of development regulations to protect critical areas under this chapter prior to department of ecology approval of a master program update as provided in this subsection is not a comprehensive or segment update to the master program.

(c)(i) Until the department of ecology approves a master program or segment of a master program as provided in (b) of this subsection, a use or structure legally located within shorelines of the state that was established or vested on or before the effective date of the local government's development regulations to protect critical areas may continue as a conforming use and may be redeveloped or modified if: (A) The redevelopment or modification is consistent with the local government's master program; and (B) the local government determines that the proposed redevelopment or modification will result in no net loss of shoreline ecological functions. The local government may waive this requirement if the redevelopment or modification is consistent with the master program and the local government's development regulations to protect critical areas.

(ii) For purposes of this subsection (3)(c), an agricultural activity that does not expand the area being used for the agricultural activity is not a redevelopment or modification. "Agricultural activity," as used in this subsection (3)(c), has the same meaning as defined in RCW 90.58.065.

(d) Upon department of ecology approval of a shoreline master program or critical area segment of a shoreline master program, critical areas within shorelines of the state are protected under chapter 90.58 RCW and are not subject to the procedural and substantive requirements of this chapter, except as provided in subsection (6) of this section. Nothing in chapter 321, Laws of 2003 or chapter 107, Laws of 2010 is intended to affect whether or to what extent agricultural activities, as defined in RCW 90.58.065, are subject to chapter 36.70A RCW.

(e) The provisions of RCW 36.70A.172 shall not apply to the adoption or subsequent amendment of a local government's shoreline master program and shall not be used to determine compliance of a local government's shoreline master program with chapter 90.58 RCW and applicable guidelines. Nothing in this section, however, is intended to limit or change the quality of information to be applied in protecting critical areas within shorelines of the state, as required by chapter 90.58 RCW and applicable guidelines.

(4) Shoreline master programs shall provide a level of protection to critical areas located within shorelines of the state that assures no net loss of shoreline ecological functions necessary to sustain shoreline natural resources as defined by department of ecology guidelines adopted pursuant to RCW 90.58.060.

(5) Shorelines of the state shall not be considered critical areas under this chapter except to the extent that specific areas located within shorelines of the state qualify for critical area designation based on the definition of critical areas provided by RCW 36.70A.030(~~(5)~~) (6) and have been designated as such by a local government pursuant to RCW 36.70A.060(2).

(6) If a local jurisdiction's master program does not include land necessary for buffers for critical areas that occur within shorelines of the state, as authorized by RCW 90.58.030(2)(~~(f)~~) (d), then the local jurisdiction shall continue to regulate those critical areas and their required buffers pursuant to RCW 36.70A.060(2).

Sec. 3. RCW 36.70A.070 and 2021 c 254 s 2 are each amended to read as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces and greenspaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. The land use element must give special consideration to achieving environmental justice in its goals and policies, including efforts to avoid creating or worsening environmental health disparities. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity and reduce per capita vehicle miles traveled within the jurisdiction, but without increasing greenhouse gas emissions elsewhere in the state. Where applicable, the land use element shall review drainage, flooding, and stormwater runoff in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound. The land use element must reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools, which may include, but are not limited to, reducing residential development pressure in the wildland urban interface area, creating open space buffers between human development and wildfire-prone landscapes, and protecting existing residential development through community wildfire preparedness and fire adaptation measures.

(2) A housing element ensuring the vitality and character of established residential neighborhoods that:

(a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including:

(i) Units for moderate, low, very low, and extremely low-income households; and

(ii) Emergency housing, emergency shelters, and permanent supportive housing;

(b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including(~~(f)~~), but not limited to, duplexes, triplexes, and townhomes;

(c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;

(d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:

(i) Incorporating consideration for low, very low, extremely low, and moderate-income households;

(ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;

(iii) Consideration of housing locations in relation to employment location; and

(iv) Consideration of the role of accessory dwelling units in meeting housing needs;

(e) Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:

- (i) Zoning that may have a discriminatory effect;
 - (ii) Disinvestment; and
 - (iii) Infrastructure availability;
- (f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;
- (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- (h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

In counties and cities subject to the review and evaluation requirements of RCW 36.70A.215, any revision to the housing element shall include consideration of prior review and evaluation reports and any reasonable measures identified. The housing element should link jurisdictional goals with overall county goals to ensure that the housing element goals are met.

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, including green infrastructure, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

(4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities, including, but not limited to, components of drinking water, stormwater, wastewater, electrical ~~((lines))~~, telecommunications ~~((lines))~~, and natural gas ~~((lines))~~ systems.

(5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:

(a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.

(b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.

(c) Measures governing rural development. The rural element shall include measures that apply to rural development and

protect the rural character of the area, as established by the county, by:

- (i) Containing or otherwise controlling rural development;
- (ii) Assuring visual compatibility of rural development with the surrounding rural area;
- (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- (iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and
- (v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

(d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

(i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

(A) A commercial, industrial, residential, shoreline, or mixed-use area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.

(B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.

(C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);

(ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;

(iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(23). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

(iv) A county shall adopt measures to minimize and contain the

existing areas or uses of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

(v) For purposes of (d) of this subsection, an existing area or existing use is one that was in existence:

(A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;

(B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or

(C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

(e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.

(6) A transportation element that implements, and is consistent with, the land use element.

(a) The transportation element shall include the following subelements:

(i) Land use assumptions used in estimating travel;

(ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist ~~((the department of transportation))~~ in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;

(iii) Facilities and services needs, including:

(A) An inventory of air, water, and ground transportation facilities and services, including transit alignments, active transportation facilities, and general aviation airport facilities, to define existing capital facilities and travel levels ~~((as a basis for))~~ to inform future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;

(B) Level of service standards for all locally owned arterials ~~((and)), locally and regionally operated transit routes that serve urban growth areas, state-owned or operated transit routes that serve urban areas if the department of transportation has prepared such standards, and active transportation facilities~~ to serve as a gauge to judge performance of the system and success in helping to achieve the goals of this chapter consistent with environmental justice. These standards should be regionally coordinated;

(C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, active

transportation, or transit program and the office of financial management's ten-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

(D) Specific actions and requirements for bringing into compliance ~~((locally owned))~~ transportation facilities or services that are below an established level of service standard;

(E) Forecasts of ~~((traffic))~~ multimodal transportation demand and needs within cities and urban growth areas, and forecasts of traffic demand and needs outside of cities and urban growth areas, for at least ten years based on the adopted land use plan to ~~((provide information on the location, timing, and capacity needs of future growth))~~ inform the development of a transportation element that balances transportation system safety and convenience to accommodate all users of the transportation system to safely, reliably, and efficiently provide access and mobility to people and goods;

(F) Identification of state and local system needs to equitably meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW. Local system needs should reflect the regional transportation system, local goals, and strive to equitably implement the multimodal network;

(iv) Finance, including:

(A) An analysis of funding capability to judge needs against probable funding resources;

(B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;

(C) If probable funding falls short of meeting the identified needs of the transportation system, including state transportation facilities, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;

(v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;

(vi) Demand-management strategies;

(vii) ~~((Pedestrian and bicycle))~~ Active transportation component to include collaborative efforts to identify and designate planned improvements for ~~((pedestrian and bicycle))~~ active transportation facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.

(b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned or locally or regionally operated transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include active transportation facility improvements, increased or enhanced public

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transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city. If it is possible to provide for the transportation needs of a development through active transportation facility improvements, increased or enhanced public transportation service, ride-sharing programs, demand management, or other transportation systems management strategies funded by the development, a development approval may not be denied because it fails to meet traffic level of service standards.

(c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.

(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

(8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

(9) A climate change and resiliency element that is designed to result in reductions in overall greenhouse gas emissions and that must enhance resiliency to and avoid the adverse impacts of climate change, which must include efforts to reduce localized greenhouse gas emissions and avoid creating or worsening localized climate impacts to vulnerable populations and overburdened communities. The greenhouse gas emissions reduction subelement of the climate change and resiliency element is mandatory for the jurisdictions specified in section 4(1) of this act and is encouraged for all other jurisdictions, including those planning under RCW 36.70A.040 and those planning under chapter 36.70 RCW. The resiliency subelement of the climate change and resiliency element is mandatory for all jurisdictions planning under RCW 36.70A.040 and is encouraged for those jurisdictions planning under chapter 36.70 RCW.

(a)(i) The greenhouse gas emissions reduction subelement of the comprehensive plan, and its related development regulations, must identify the actions the jurisdiction will take during the planning cycle consistent with the guidelines published by the department pursuant to section 5 of this act that will:

(A) Result in reductions in overall greenhouse gas emissions generated by transportation and land use within the jurisdiction but without increasing greenhouse gas emissions elsewhere in the state; and

(B) Result in reductions in per capita vehicle miles traveled within the jurisdiction but without increasing greenhouse gas emissions elsewhere in the state; and

(C) Prioritize reductions in overburdened communities in order to maximize the cobenefits of reduced air pollution and environmental justice consistent with chapter 70A.02 RCW.

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(ii) Actions not specifically identified in the guidelines developed by the department pursuant to section 5 of this act may be considered to be consistent with these guidelines only if:

(A) They are projected to achieve greenhouse gas emissions reductions or per capita vehicle miles traveled reductions equivalent to what would be required of the jurisdiction under the guidelines adopted by the department; and

(B) They are supported by scientifically credible projections and scenarios that indicate their adoption is likely to result in reductions of greenhouse gas emissions or per capita vehicle miles traveled.

(iii) A jurisdiction may not restrict population growth or limit population allocation in order to achieve the requirements set forth in this subsection (9)(a).

(iv)(A)(I) Until December 31, 2034, actions not specifically identified in the guidelines developed by the department pursuant to section 5 of this act, or considered to be consistent with those guidelines according to the process established in (a)(ii) of this subsection (9), must still be considered to be sufficient to meet the requirements of the greenhouse gas emissions reduction subelement and must be approved by the department pursuant to section 5 of this act, if the actions provide for the authorization of the development of middle housing types within one-quarter mile of major transit stops within urban growth areas.

(II) A city planning under RCW 36.70A.040 may be considered to be consistent with the guidelines of this subsection (9)(a)(iv) if:

(1) The jurisdiction authorizes the development of no fewer than four residential units on all lots zoned for residential use within one-quarter mile of a major transit stop; or

(2) The jurisdiction alters local zoning to allow for an average minimum net density equivalent to no less than 33 dwelling units per acre within one-quarter mile of a major transit stop.

(B) Nothing in this subsection (9)(a)(iv) prohibits the authorization of the development of single-family residences.

(b)(i) The resiliency subelement must equitably enhance resiliency to, and avoid or substantially reduce the adverse impacts of, climate change in human communities and ecological systems through goals, policies, and programs consistent with the best available science and scientifically credible climate projections and impact scenarios that moderate or avoid harm, enhance the resiliency of natural and human systems, and enhance beneficial opportunities. The resiliency subelement must prioritize actions in overburdened communities as defined in chapter 70A.02 RCW that will disproportionately suffer from compounding environmental impacts and will be most impacted by natural hazards due to climate change. Specific goals, policies, and programs of the resiliency subelement must include, but are not limited to, those designed to:

(A) Identify, protect, and enhance natural areas to foster resiliency to climate impacts, as well as areas of vital habitat for safe passage and species migration;

(B) Identify, protect, and enhance community resiliency to climate change impacts, including social, economic, and built factors, that support adaptation to climate impacts consistent with environmental justice; and

(C) Address natural hazards created or aggravated by climate change, including sea level rise, landslides, flooding, drought, heat, smoke, wildfire, and other effects of changes to temperature and precipitation patterns.

(ii) A natural hazard mitigation plan or similar plan that is guided by RCW 36.70A.020(14), that prioritizes actions in overburdened communities as defined in RCW 70A.02.010, and that complies with the applicable requirements of this chapter, including the requirements set forth in this subsection (9)(b), may

be adopted by reference to satisfy these requirements, except that to the extent any of the substantive requirements of this subsection (9)(b) are not addressed, or are inadequately addressed, in the referenced natural hazard mitigation plan, a county or city must supplement the natural hazard mitigation plan accordingly so that the adopted resiliency subelement complies fully with the substantive requirements of this subsection (9)(b).

(A) If a county or city intends to adopt by reference a federal emergency management agency natural hazard mitigation plan in order to meet all or part of the substantive requirements set forth in this subsection (9)(b), and the most recently adopted federal emergency management agency natural hazard mitigation plan does not comply with the requirements of this subsection (9)(b), the department may grant the county or city an extension of time in which to submit a natural hazard mitigation plan.

(B) Eligibility for an extension under this subsection prior to July 1, 2027, is limited to a city or county required to review and, if needed, revise its comprehensive plan on or before June 30, 2025, as provided in RCW 36.70A.130, or for a city or county with an existing, unexpired federal emergency management agency natural hazard mitigation plan scheduled to expire before December 31, 2024.

(C) Extension requests after July 1, 2027, may be granted if requirements for the resiliency subelement are amended or added by the legislature or if the department finds other circumstances that may result in a potential finding of noncompliance with a jurisdiction's existing and approved federal emergency management agency natural hazard mitigation plan.

(D) A city or county that wishes to request an extension of time must submit a request in writing to the department no later than the date on which the city or county is required to review and, if needed, revise its comprehensive plan as provided in RCW 36.70A.130.

(E) Upon the submission of such a request to the department, the city or county may have an additional 48 months from the date provided in RCW 36.70A.130 in which to either adopt by reference an updated federal emergency management agency natural hazard mitigation plan or adopt its own natural hazard mitigation plan, and to then submit that plan to the department.

(c) For the jurisdictions set forth in section 4 of this act, updates to comprehensive plans and related development regulations made during the update cycle that begins in 2024 must adopt measures identified by the department pursuant to section 5 of this act that are likely to result in reductions of greenhouse gas emissions and per capita vehicle miles traveled.

(d) The adoption of ordinances, amendments to comprehensive plans, amendments to development regulations, and other nonproject actions taken by a county or city pursuant to (a) or (c) of this subsection in order to implement measures specified by the department pursuant to section 5 of this act are not subject to administrative or judicial appeal under chapter 43.21C RCW.

(10) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

NEW SECTION. Sec. 4. A new section is added to chapter 36.70A RCW to read as follows:

(1) The requirements of the greenhouse gas emissions reduction subelement of the climate change and resiliency element set forth in RCW 36.70A.070(9) apply only to those counties that are required or that choose to plan under RCW 36.70A.040 and that also meet either of the criteria set forth in (a)

or (b) of this subsection (1) on or after April 1, 2021, and the cities with populations greater than 6,000 as of April 1, 2021, within those counties:

(a) A county with a population density of at least 100 people per square mile and a population of at least 200,000; or

(b) A county with a population density of at least 75 people per square mile and an annual growth rate of at least 1.75 percent as determined by the office of financial management.

(2) The requirements of the amendments to the transportation element of RCW 36.70A.070 set forth in this act apply only to: (a) Counties and cities that meet the population criteria set forth in subsection (1) of this section; and (b) cities with populations of 6,000 or greater as of April 1, 2021, that are located in a county that is required or that chooses to plan under RCW 36.70A.040.

(3) The requirements of the amendments to the land use element of RCW 36.70A.070 set forth in this act apply only to: (a) Counties and cities that meet the population criteria set forth in subsection (1) or (2) of this section; and (b) counties that have a population of 20,000 or greater as of April 1, 2021, and that are required or that choose to plan under RCW 36.70A.040.

(4) The requirements of the amendments to the rural element of RCW 36.70A.070 set forth in this act apply only to counties that are required or that choose to plan under RCW 36.70A.040 and that have a population of 20,000 or greater as of April 1, 2021.

(5) Once a county meets either of the sets of criteria set forth in subsection (1) of this section, the requirement to conform with the greenhouse gas emissions reduction subelement of the climate change and resiliency element set forth in RCW 36.70A.070 remains in effect, even if the county no longer meets one of these sets of criteria.

(6) If the population of a county that previously had not been required to conform with the greenhouse gas emissions reduction subelement of the climate change and resiliency element set forth in RCW 36.70A.070 changes sufficiently to meet either of the sets of criteria set forth in subsection (1) of this section, the county, and the cities with populations greater than 6,000 as of April 1, 2021, within that county, shall adopt a greenhouse gas emissions reduction subelement of the climate change and resiliency element set forth in RCW 36.70A.070 at the next scheduled update of the comprehensive plan as set forth in RCW 36.70A.130.

(7) The population criteria used in this section must be based on population data as determined by the office of financial management.

NEW SECTION. Sec. 5. A new section is added to chapter 70A.45 RCW to read as follows:

(1) The department of commerce, in consultation with the department of ecology, the department of health, and the department of transportation, shall publish guidelines that specify a set of measures counties and cities have available to them to take through updates to their comprehensive plans and development regulations that have a demonstrated ability to increase housing capacity within urban growth areas or reduce greenhouse gas emissions, allowing for consideration of the emissions reductions achieved through the adoption of statewide programs. The guidelines must prioritize reductions in overburdened communities as defined in RCW 70A.02.010, including communities that have experienced disproportionate harm due to air pollution and may draw upon the most recent health disparities data from the department of health to identify high pollution areas and disproportionately burdened communities. These guidelines must be developed using an environmental justice assessment pursuant to RCW 70A.02.060 and the guidelines must include environmental justice assessment processes. The guidelines must be based on:

(a) The most recent greenhouse gas emissions report prepared

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by the department of ecology and the department of commerce pursuant to RCW 70A.45.020(2);

(b) The most recent city and county population estimates prepared by the office of financial management pursuant to RCW 43.62.035;

(c) The locations of major employment centers and transit corridors, for the purpose of increasing housing supply in these areas; and

(d) Available environmental justice data and data regarding access to public transportation for people with disabilities and for vulnerable populations as defined in RCW 70A.02.010.

(2)(a) The department of commerce, in consultation with the department of transportation, shall publish guidelines that specify a set of measures counties and cities may have available to them to take through updates to their comprehensive plans and development regulations that have a demonstrated ability to reduce per capita vehicle miles traveled, including measures that are designed to be achievable throughout the state, including in small cities and rural cities.

(b) The guidelines must be based on:

(i) The most recent greenhouse gas emissions report prepared by the department of ecology and the department of commerce pursuant to RCW 70A.45.020(2);

(ii) The most recent city and county population estimates prepared by the office of financial management pursuant to RCW 43.62.035; and

(iii) The most recent summary of per capita vehicle miles traveled as compiled by the department of transportation.

(3) The department of commerce shall first publish the full set of guidelines described in subsections (1) and (2) of this section no later than December 31, 2025. The department of commerce shall update these guidelines at least every four years thereafter based on the most recently available data, and shall provide for a process for local governments and other parties to submit alternative actions for consideration for inclusion into the guidelines at least once per year. The department of commerce shall publish an intermediate set of guidelines no later than December 31, 2022, in order to be available for use by jurisdictions whose periodic updates are required by RCW 36.70A.130(5) to occur prior to December 31, 2025.

(4)(a) In any updates to the guidelines published after 2025, the department of commerce shall include an evaluation of the impact that locally adopted climate change and resiliency elements have had on local greenhouse gas emissions and per capita vehicle miles traveled reduction goals. The evaluation must also address the impact that locally adopted greenhouse gas emissions reduction subelements have had on zoned housing capacity.

(b) The updates must also include an estimate of the impacts that locally adopted climate change and resiliency elements will have on achieving local greenhouse gas emissions and per capita vehicle miles traveled reduction goals. The evaluation must also include an estimate of the impact that locally adopted greenhouse gas emissions reduction subelements will have on zoned housing capacity.

(c) The department may include in the specified guidelines what additional measures cities and counties should take to make additional progress on local reduction goals, including any measures that increase housing capacity and middle housing capacity, within urban growth areas.

(5) The department of commerce may not propose or adopt any guidelines that would include any form of a road usage charge or any fees or surcharges related to vehicle miles traveled.

(6) The department of commerce may not propose or adopt any guidelines that would direct or require local governments to regulate or tax, in any form, transportation service providers,

delivery vehicles, or passenger vehicles.

(7) The department of commerce, in the course of implementing this section, shall provide and prioritize options that support housing diversity and that assist counties and cities in meeting greenhouse gas emissions reduction and other requirements established under this chapter.

(8) The provisions of this section as applied to the department of transportation are subject to the availability of amounts appropriated for this specific purpose.

NEW SECTION. Sec. 6. A new section is added to chapter 36.70A RCW to read as follows:

(1) A county or city required to complete a greenhouse gas emissions reduction subelement may submit the subelement to the department for approval. When submitted to the department for approval, the subelement becomes effective when approved by the department as provided in this section. If a county or city does not seek department approval of the subelement, the effective date of the subelement is the date on which the comprehensive plan is adopted by the county or city.

(2) The department shall strive to achieve final action on a submitted greenhouse gas emissions reduction subelement within 180 days of receipt and shall post an annual assessment related to this performance benchmark on the agency website.

(3) Upon receipt of a proposed greenhouse gas emissions reduction subelement, the department shall:

(a) Provide notice to and opportunity for written comment by all interested parties of record as a part of the local government review process for the proposal and to all persons, groups, and agencies that have requested in writing notice of proposed greenhouse gas emissions reduction subelements. The comment period shall be at least 30 days, unless the department determines that the level of complexity or controversy involved supports a shorter period;

(b) In the department's discretion, conduct a public hearing during the 30-day comment period in the jurisdiction proposing the greenhouse gas emissions reduction subelement;

(c) Within 15 days after the close of public comment, request the local government to review the issues identified by the public, interested parties, groups, and agencies and provide a written response as to how the proposal addresses the identified issues;

(d) Within 30 days after receipt of the local government response pursuant to (c) of this subsection, make written findings and conclusions regarding the consistency of the proposal with the policy of RCW 36.70A.070 and, after they are adopted, the applicable guidelines adopted by the department pursuant to section 5 of this act and any reduction allocations made pursuant to RCW 36.70A.100, provide a response to the issues identified in (c) of this subsection, and either approve the greenhouse gas emissions reduction subelement as submitted, recommend specific changes necessary to make the greenhouse gas emissions reduction subelement approvable, or deny approval of the greenhouse gas emissions reduction subelement in those instances where no alteration of the greenhouse gas emissions reduction subelement appears likely to be consistent with the policy of RCW 36.70A.070 and the applicable guidelines. The written findings and conclusions shall be provided to the local government, and made available to all interested persons, parties, groups, and agencies of record on the proposal;

(e) If the department recommends changes to the proposed greenhouse gas emissions reduction subelement, within 90 days after the department mails the written findings and conclusions to the local government, require the local government to:

(i) Agree to the proposed changes by written notice to the department; or

(ii) Submit an alternative greenhouse gas emissions reduction

subelement. If, in the opinion of the department, the alternative is consistent with the purpose and intent of the changes originally submitted by the department and with this chapter it shall approve the changes and provide notice to all recipients of the written findings and conclusions. If the department determines the proposed greenhouse gas emissions reduction subelement is not consistent with the purpose and intent of the changes proposed by the department, the department may resubmit the proposed greenhouse gas emissions reduction subelement for public and agency review pursuant to this section or reject the proposed greenhouse gas emissions reduction subelement.

(4) The department shall approve a proposed greenhouse gas emissions reduction subelement unless it determines that the proposed greenhouse gas emissions reduction subelement is not consistent with the policy of RCW 36.70A.070 and, after they are adopted, the applicable guidelines.

(5) A greenhouse gas emissions reduction subelement takes effect when and in such form as approved or adopted by the department. The effective date is 14 days from the date of the department's written notice of final action to the local government stating the department has approved or rejected the proposed greenhouse gas emissions reduction subelement. The department's written notice to the local government must conspicuously and plainly state that it is the department's final decision and that there will be no further modifications to the proposed greenhouse gas emissions reduction subelement. The department shall maintain a record of each greenhouse gas emissions reduction subelement, the action taken on any proposed greenhouse gas emissions reduction subelement, and any appeal of the department's action. The department's approved document of record constitutes the official greenhouse gas emissions reduction subelement.

(6) Promptly after approval or disapproval of a local government's greenhouse gas emissions reduction subelement, the department shall publish a notice consistent with RCW 36.70A.290 that the greenhouse gas emissions reduction subelement has been approved or disapproved. This notice must be filed for all greenhouse gas emissions reduction subelements.

(7) The department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendment by a local government planning under RCW 36.70A.040 may be appealed according to the following provisions:

(a) The department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendment by a local government planning under RCW 36.70A.040 may be appealed to the growth management hearings board by filing a petition as provided in RCW 36.70A.290.

(b) A decision of the growth management hearings board concerning an appeal of the department's final decision to approve or reject a proposed greenhouse gas emissions reduction subelement or amendment must be based solely on whether or not the adopted or amended greenhouse gas emissions reduction subelement, any adopted amendments to other elements of the comprehensive plan necessary to carry out the subelement, and any adopted or amended development regulations necessary to implement the subelement, comply with the goal set forth in RCW 36.70A.020(14) as it applies to greenhouse gas emissions reductions, RCW 36.70A.070(9) excluding RCW 36.70A.070(9)(b), the guidelines adopted under section 5 of this act applicable to the greenhouse gas emissions reduction subelement, or chapter 43.21C RCW.

Sec. 7. RCW 36.70A.320 and 1997 c 429 s 20 are each amended to read as follows:

(1) Except as provided in subsections (5) and (6) of this section, comprehensive plans and development regulations, and

amendments thereto, adopted under this chapter are presumed valid upon adoption.

(2) Except as otherwise provided in subsection (4) of this section, the burden is on the petitioner to demonstrate that any action taken by a state agency, county, or city under this chapter is not in compliance with the requirements of this chapter.

(3) In any petition under this chapter, the board, after full consideration of the petition, shall determine whether there is compliance with the requirements of this chapter. In making its determination, the board shall consider the criteria adopted by the department under RCW 36.70A.190(4). The board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter.

(4) A county or city subject to a determination of invalidity made under RCW 36.70A.300 or 36.70A.302 has the burden of demonstrating that the ordinance or resolution it has enacted in response to the determination of invalidity will no longer substantially interfere with the fulfillment of the goals of this chapter under the standard in RCW 36.70A.302(1).

(5) The shoreline element of a comprehensive plan and the applicable development regulations adopted by a county or city shall take effect as provided in chapter 90.58 RCW.

(6) The greenhouse gas emissions reduction subelement required by RCW 36.70A.070 shall take effect as provided in section 6 of this act.

Sec. 8. RCW 36.70A.190 and 1991 sp.s. c 32 s 3 are each amended to read as follows:

(1) The department shall establish a program of technical and financial assistance and incentives to counties and cities to encourage and facilitate the adoption and implementation of comprehensive plans and development regulations throughout the state.

(2) The department shall develop a priority list and establish funding levels for planning and technical assistance grants both for counties and cities that plan under RCW 36.70A.040. Priority for assistance shall be based on a county's or city's population growth rates, commercial and industrial development rates, the existence and quality of a comprehensive plan and development regulations, ~~((and other relevant factors))~~ presence of overburdened communities, and other relevant factors. The department shall establish funding levels for grants to community-based organizations for the specific purpose of advancing participation of vulnerable populations and overburdened communities in the planning process.

(3) The department shall develop and administer a grant program to provide direct financial assistance to counties and cities for the preparation of comprehensive plans under this chapter. The department may establish provisions for county and city matching funds to conduct activities under this subsection. Grants may be expended for any purpose directly related to the preparation of a county or city comprehensive plan as the county or city and the department may agree, including, without limitation, the conducting of surveys, inventories and other data gathering and management activities, the retention of planning consultants, contracts with regional councils for planning and related services, and other related purposes.

(4) The department shall establish a program of technical assistance:

(a) Utilizing department staff, the staff of other state agencies, and the technical resources of counties and cities to help in the development of comprehensive plans required under this chapter. The technical assistance may include, but not be limited to, model land use ordinances, regional education and training programs, and information for local and regional inventories; and

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(b) Adopting by rule procedural criteria to assist counties and cities in adopting comprehensive plans and development regulations that meet the goals and requirements of this chapter. These criteria shall reflect regional and local variations and the diversity that exists among different counties and cities that plan under this chapter.

(5) The department shall provide mediation services to resolve disputes between counties and cities regarding, among other things, coordination of regional issues and designation of urban growth areas.

(6) The department shall provide planning grants to enhance citizen participation under RCW 36.70A.140.

(7) The department shall develop, in collaboration with the department of ecology, the department of fish and wildlife, the department of natural resources, the department of health, the emergency management division of the military department, as well as any federally recognized tribe who chooses to voluntarily participate, and adopt by rule guidance that creates a model climate change and resiliency element that may be used by counties, cities, and multiple-county planning regions for developing and implementing climate change and resiliency plans and policies required by RCW 36.70A.070(9), subject to the following provisions:

(a) The model element must establish minimum requirements, and may include model options or voluntary cross-jurisdictional strategies, or both, for fulfilling the requirements of RCW 36.70A.070(9);

(b) The model element should provide guidance on identifying, designing, and investing in infrastructure that supports community resilience to climate impacts, including the protection, restoration, and enhancement of natural infrastructure as well as traditional infrastructure and protecting and enhancing natural areas to foster resiliency to climate impacts, as well as areas of vital habitat for safe passage and species migration;

(c) The model element should provide guidance on identifying and addressing natural hazards created or aggravated by climate change, including sea level rise, landslides, flooding, drought, heat, smoke, wildfires, and other effects of reasonably anticipated changes to temperature and precipitation patterns; and

(d) The rule must recognize and promote as many cobenefits of climate resilience as possible such as climate change mitigation, salmon recovery, forest health, ecosystem services, and socioeconomic health and resilience.

NEW SECTION. Sec. 9. A new section is added to chapter 47.80 RCW to read as follows:

The department shall compile, maintain, and publish a summary of the per capita vehicle miles traveled annually in each city in the state, and in the unincorporated portions of each county in the state.

NEW SECTION. Sec. 10. A new section is added to chapter 90.58 RCW to read as follows:

The department shall update its shoreline master program guidelines to require shoreline master programs to address the impact of sea level rise and increased storm severity on people, property, and shoreline natural resources and the environment.

Sec. 11. RCW 86.12.200 and 1991 c 322 s 3 are each amended to read as follows:

The county legislative authority of any county may adopt a comprehensive flood control management plan for any drainage basin that is located wholly or partially within the county.

A comprehensive flood control management plan shall include the following elements:

(1) Designation of areas that are susceptible to periodic flooding, from inundation by bodies of water or surface water runoff, or both, including the river's meander belt or floodway;

(2) Establishment of a comprehensive scheme of flood control protection and improvements for the areas that are subject to such periodic flooding, that includes: (a) Determining the need for, and desirable location of, flood control improvements to protect or preclude flood damage to structures, works, and improvements, based upon a cost/benefit ratio between the expense of providing and maintaining these improvements and the benefits arising from these improvements; (b) establishing the level of flood protection that each portion of the system of flood control improvements will be permitted; (c) identifying alternatives to in-stream flood control work; (d) identifying areas where flood waters could be directed during a flood to avoid damage to buildings and other structures; and (e) identifying sources of revenue that will be sufficient to finance the comprehensive scheme of flood control protection and improvements;

(3) Establishing land use regulations that preclude the location of structures, works, or improvements in critical portions of such areas subject to periodic flooding, including a river's meander belt or floodway, and permitting only flood-compatible land uses in such areas;

(4) Establishing restrictions on construction activities in areas subject to periodic floods that require the flood proofing of those structures that are permitted to be constructed or remodeled; ~~((and))~~

(5) Establishing restrictions on land clearing activities and development practices that exacerbate flood problems by increasing the flow or accumulation of flood waters, or the intensity of drainage, on low-lying areas. Land clearing activities do not include forest practices as defined in chapter 76.09 RCW; and

(6) Consideration of climate change impacts, including the impact of sea level rise and increased storm severity on people, property, natural resources, and the environment.

A comprehensive flood control management plan shall be subject to the minimum requirements for participation in the national flood insurance program, requirements exceeding the minimum national flood insurance program that have been adopted by the department of ecology for a specific floodplain pursuant to RCW 86.16.031, and rules adopted by the department of ecology pursuant to RCW 86.26.050 relating to floodplain management activities. When a county plans under chapter 36.70A RCW, it may incorporate the portion of its comprehensive flood control management plan relating to land use restrictions in its comprehensive plan and development regulations adopted pursuant to chapter 36.70A RCW.

NEW SECTION. Sec. 12. A new section is added to chapter 43.21C RCW to read as follows:

The adoption of ordinances, amendments to comprehensive plans, amendments to development regulations, and other nonproject actions taken by a county or city pursuant to RCW 36.70A.070(9) (a) or (c) in order to implement measures specified by the department of commerce pursuant to section 5 of this act are not subject to administrative or judicial appeals under this chapter.

NEW SECTION. Sec. 13. (1) The obligation of local governments to comply with the requirements established in: (a) The amendments to RCW 36.70A.070 set forth in this act; and (b) the updated shoreline master program guidelines adopted pursuant to section 10 of this act, is contingent on the provision of state funding to local governments for the specific purpose of complying with these requirements.

(2) The obligation of local governments to comply with the requirements established in: (a) The amendments to RCW 36.70A.070 set forth in this act; and (b) the updated shoreline master program guidelines adopted pursuant to section 10 of this

act, takes effect two years after the date the legislature appropriates state funding to provide to local governments for the purpose of complying with these requirements.

Sec. 14. RCW 36.70A.030 and 2021 c 254 s 6 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed thirty percent of the monthly income of a household whose income is:

(a) For rental housing, sixty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development; or

(b) For owner-occupied housing, eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(3) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(4) "City" means any city or town, including a code city.

(5) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(6) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.

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

(8) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(9) "Emergency housing" means temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.

(10) "Emergency shelter" means a facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter

facilities may include day and warming centers that do not provide overnight accommodations.

(11) "Extremely low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below thirty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(12) "Forestland" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forestland is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forestland to other uses.

(13) "Freight rail dependent uses" means buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.

(14) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

(15) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

(16) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(17) "Minerals" include gravel, sand, and valuable metallic substances.

(18) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below 120 percent of the median household income adjusted for household size, for the county where the household is located, as reported by the United States department of housing and urban development.

(19) "Permanent supportive housing" is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral

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health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services. Permanent supportive housing is subject to all of the rights and responsibilities defined in chapter 59.18 RCW.

(20) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

(21) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

(22) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

(23) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

(24) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

(25) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

(26) "Short line railroad" means those railroad lines designated class II or class III by the United States surface transportation board.

(27) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public

transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

(28) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

(29) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

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

(31) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

(32) "Per capita vehicle miles traveled" means the number of miles traveled using cars and light trucks in a calendar year divided by the number of residents in Washington. The calculation of this value excludes vehicle miles driven conveying freight.

(33) "Active transportation" means forms of pedestrian mobility including walking or running, the use of a mobility assistive device such as a wheelchair, bicycling and cycling irrespective of the number of wheels, and the use of small personal devices such as foot scooters or skateboards. Active transportation includes both traditional and electric assist bicycles and other devices. Planning for active transportation must consider and address accommodation pursuant to the Americans with disabilities act and the distinct needs of each form of active transportation.

(34) "Transportation system" means all infrastructure and services for all forms of transportation within a geographical area, irrespective of the responsible jurisdiction or transportation provider.

(35) "Environmental justice" means the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to development, implementation, and enforcement of environmental laws, regulations, and policies; with a focus on the equitable distribution of resources, benefits, and burdens in a manner that prioritizes communities that experience the greatest inequities, disproportionate impacts, and have the greatest unmet needs.

(36) "Active transportation facilities" means facilities provided for the safety and mobility of active transportation users including, but not limited to, trails, as defined in RCW 47.30.005, sidewalks, bike lanes, shared-use paths, and other facilities in the public right-of-way.

(37) "Greenspace" means an area of land, vegetated by natural features such as grass, trees, or shrubs, within an urban context and less than one acre in size that creates public value through one or more of the following attributes:

- (a) Is accessible to the public;
- (b) Promotes physical and mental health of residents;
- (c) Provides relief from the urban heat island effects;
- (d) Promotes recreational and aesthetic values;
- (e) Protects streams or water supply; or
- (f) Preserves visual quality along highway, road, or street corridors.

(38) "Green infrastructure" means a wide array of natural assets, built structures, and management practices at multiple scales that manage wet weather and that maintain and restore natural hydrology by storing, infiltrating, evapotranspiring, and harvesting and using stormwater.

(39) "Cottage housing" means at least four residential units on a lot with a common open space that is either:

- (a) Owned in common; or
- (b) Has units owned as condominium units with property owned in common and a minimum of 20 percent of the lot size as open space.

(40) "Courtyard apartments" means up to four attached dwelling units arranged on two or three sides of a central courtyard or lawn area.

(41) "Major transit stop" means:

- (a) A stop on a high capacity transportation system funded or expanded under the provisions of chapter 81.104 RCW;
- (b) Commuter rail stops;
- (c) Stops on rail or fixed guideway systems, including transitways;
- (d) Stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes;
- (e) Stops for a bus or other transit mode providing actual fixed route service at intervals of at least 15 minutes for at least five hours during the peak hours of operation on weekdays; or
- (f) Washington state ferry terminals.

(42) "Middle housing" means duplexes, triplexes, fourplexes, attached and detached accessory dwelling units, cottage housing, stacked flats, townhouses, and courtyard apartments.

(43) "Stacked flat" means dwelling units in a two or three story residential building on a residential zoned lot in which each floor may be separately rented or owned and is a discrete dwelling unit.

(44) "Townhouses" means dwelling units constructed in a row of two or more attached units, where each dwelling unit is located on an individual lot or parcel and shares at least one common wall with an adjacent unit.

NEW SECTION. Sec. 15. A new section is added to chapter 36.70A RCW to read as follows:

(1) Cities within counties planning under RCW 36.70A.215 and those counties may establish one or more real estate excise tax density incentive zones. A real estate excise tax density incentive zone is an area within an urban growth area where the city or county adopts zoning and development regulations to increase housing supply by allowing construction of additional housing types as outright permitted uses. Creation of a real estate excise tax density incentive zone enables the local government to receive a portion of the tax imposed under chapter 82.45 RCW for sales of qualified residential dwelling units within the zone.

(2) A real estate excise tax density incentive zone may only be located within a designated urban growth area, and must allow the

following housing types: Single-family detached dwellings at a net density of at least six dwelling units per acre, duplexes, triplexes, fourplexes, townhomes, accessory dwelling units, and courtyard apartments.

(3) A real estate excise tax density incentive zone may also allow as outright permitted uses housing types and densities that exceed the minimum requirements in subsection (2) of this section.

(4)(a) Additional dwelling units must be in addition to the baseline density under existing zoning to implement the housing element in RCW 36.70A.070.

(b) For the purposes of this section, a "qualified residential dwelling" is either an individual residential dwelling unit or a residential building of two or more dwelling units constructed within a real estate excise tax density incentive zone that achieves a net increase in the total number of residential dwelling units compared to the maximum number of residential dwelling units that could have been built prior to the adoption of zoning and development regulations creating the real estate excise tax density incentive zone. To be included as qualified residential dwelling units, the units must be restricted from being offered as short-term rentals for more than 30 days a year for the first 15 years after construction. The county or city shall determine within their respective jurisdictions how the residential dwelling units shall be restricted from being short-term rentals.

(c) If the qualified residential dwelling has two or more dwelling units, the amount distributed to the local government under RCW 82.45.060(4)(c) shall be reduced by the percent attributable to the number of new dwelling units within the building that could have been built under the zoning and development regulations that existed prior to the creation of the local real estate excise tax density incentive zone.

(5) A sale that does not involve a net increase above the maximum number of residential dwelling units that could have been constructed as an outright permitted use, prior to the creation of the real estate excise tax density incentive zone, is not a sale of a qualified residential dwelling unit.

(6) A real estate excise tax density incentive zone may be established for areas where a city or county previously enacted zoning and development regulations meeting the minimum requirements in this section, but not prior to January 1, 2017. A real estate excise tax density incentive zone may not be established later than one year after the date by which a city or county is required to update its growth management comprehensive plan under RCW 36.70A.130. Once a real estate excise tax density incentive zone is established in compliance with this section, a qualified residential dwelling unit may be constructed at any time.

(7)(a) Prior to establishing a real estate excise tax density incentive zone, the city or county must:

- (i) Consider the race and income of existing residents within the area and the adjacent neighborhoods to be designated;
- (ii) Consider displacement impacts of low, very low, and extremely low-income residents within the area and the adjacent neighborhoods to be designated; and
- (iii) Assess the need for antidisplacement policies for high-risk communities within designated areas and the adjacent neighborhoods, and make the assessment publicly available.

(b) A local jurisdiction may use the requirements of RCW 36.70A.070(2) (e) through (h) to satisfy the requirements of this subsection.

Sec. 16. RCW 82.45.060 and 2019 c 424 s 1 are each amended to read as follows:

(1) There is imposed an excise tax upon each sale of real property.

(a) Through December 31, 2019, the rate of the tax imposed

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under this section is 1.28 percent of the selling price.

(b) Beginning January 1, 2020, except as provided in (c) of this subsection, the rate of the tax imposed under this section is as follows:

(i) 1.1 percent of the portion of the selling price that is less than or equal to five hundred thousand dollars;

(ii) 1.28 percent of the portion of the selling price that is greater than five hundred thousand dollars and equal to or less than one million five hundred thousand dollars;

(iii) 2.75 percent of the portion of the selling price that is greater than one million five hundred thousand dollars and equal to or less than three million dollars;

(iv) Three percent of the portion of the selling price that is greater than three million dollars.

(c) The sale of real property that is classified as timberland or agricultural land is subject to the tax imposed under this section at a rate of 1.28 percent of the selling price.

(2) Beginning July 1, 2022, and every fourth year thereafter:

(a) The department must adjust the selling price threshold in subsection (1)(b)(i) of this section to reflect the lesser of the growth of the consumer price index for shelter or five percent. If the growth is equal to or less than zero percent, the current selling price threshold continues to apply.

(b) The department must adjust the selling price thresholds in subsection (1)(b)(ii) through (iv) of this section by the dollar amount of any increase in the selling price threshold in subsection (1)(b)(i) of this section.

(c) The department must publish updated selling price thresholds by September 1, 2022, and September 1st of every fourth year thereafter. Updated selling price thresholds will apply beginning January 1, 2023, and January 1st every fourth year thereafter. Adjusted selling price thresholds must be rounded to the nearest one thousand dollars. No changes may be made to adjusted selling price thresholds once such adjustments take effect.

(d) The most recent selling price threshold becomes the base for subsequent adjustments.

(e) The department must report adjustments to the selling price thresholds to the fiscal committees of the legislature, beginning December 1, 2022, and December 1st every fourth year thereafter.

(3)(a) The department must publish guidance to assist sellers in properly classifying real property on the real estate excise tax affidavit for purposes of determining the proper amount of tax due under this section. Real property with multiple uses must be classified according to the property's predominant use. The department's guidance must include factors for use in determining the predominant use of real property.

(b) County treasurers are not responsible for verifying that the seller has properly classified real property reported on a real estate excise tax affidavit. The department is solely responsible for such verification as part of its audit responsibilities under RCW 82.45.150.

(4)(a) Beginning July 1, 2013, and ending December 31, 2019, an amount equal to two percent of the proceeds of this tax must be deposited in the public works assistance account created in RCW 43.155.050, an amount equal to four and one-tenth percent must be deposited in the education legacy trust account created in RCW 83.100.230, an amount equal to one and six-tenths percent must be deposited in the city-county assistance account created in RCW 43.08.290, and the remainder must be deposited in the general fund.

(b) Beginning January 1, 2020, except as provided under (c) of this subsection (4), amounts collected from the tax imposed under this section must be deposited as provided in RCW 82.45.230.

(c) Beginning July 1, 2023, the amounts collected on the sale

of a qualified residential dwelling constructed within a real estate excise tax density incentive zone created under section 15 of this act shall be distributed to a city or county as follows:

(i) For a qualified residential dwelling unit located less than or equal to .25 miles, as measured by direct distance, from a major transit stop as defined in RCW 36.70A.030, 50 percent of the amounts collected to the city or county where the dwelling is located;

(ii) For a qualified residential dwelling unit located more than .25 miles, as measured by direct distance, from a major transit stop as defined in RCW 36.70A.030, 25 percent of the amounts collected to the city or county where the dwelling is located;

(iii) If any portion of the qualified residential dwelling unit is located less than or equal to .25 miles, as measured by direct distance, from a major transit stop as defined in RCW 36.70A.030, the entire building qualifies for distribution pursuant to (c)(i) of this subsection (4).

(d) The distribution to a city or county under (c) of this subsection (4) applies to both the initial and all subsequent sales of a qualified residential dwelling unit if the residential dwelling unit continues to meet the original requirements of a qualified residential dwelling unit. Counties are required to revalidate that the residential dwelling unit continues to meet the original applicable requirements on each subsequent sale of the residential dwelling unit. The amounts distributed to a city and county may be used solely for:

(i) Implementation of the housing element in RCW 36.70A.070 as required by chapter 254 (Engrossed Second Substitute House Bill No. 1220), Laws of 2021;

(ii) Costs for infrastructure, construction, and service support for moderate, low, very low, and extremely low-income housing;

(iii) Construction of capital facilities that promote livable and walkable neighborhoods, such as neighborhood-scale parks, trails, or other recreational amenities; or

(iv) Creation of permanently affordable homeownership, which means housing that is:

(A) Sponsored by a nonprofit organization or governmental entity; and

(B) Subject to a ground lease or deed restriction that includes:

(I) A resale restriction designed to provide affordability for future low and moderate-income home buyers;

(II) A right of first refusal for the sponsor organization to purchase the home at resale; and

(III) A requirement that the sponsor must approve any refinancing, including home equity lines of credit; or

(C) Sponsored by a nonprofit organization or governmental entity and the sponsor organization;

(I) Executes a new ground lease or deed restriction with a duration of at least 99 years at the initial sale and with each successive sale; and

(II) Supports homeowners and enforces the ground lease or deed restriction.

(5)(a) Counties are required to validate and identify sales of qualified residential dwelling units within real estate excise tax density incentive zones, including any reduction in real estate excise tax distribution based on:

(i) The number of new dwelling units within the building that could have been built under prior zoning regulations compared to the number of new dwelling units built under the real estate excise tax density incentive zone pursuant to section 15(4)(c) of this act; and

(ii) The distance from a major transit stop as defined in RCW 36.70A.030 pursuant to subsection (4)(c) of this section.

(b) A county must provide the information required in (a) of this subsection to the department when the real estate excise tax

affidavit is submitted to the department by the county.

~~((S))~~ (6) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Agricultural land" means farm and agricultural land and farm and agricultural conservation land, as those terms are defined in RCW 84.34.020, including any structures on such land.

(b) "Consumer price index for shelter" means the most current seasonally adjusted index for the shelter expenditure category of the consumer price index for all urban consumers (CPI-U) as published by July 31st by the bureau of labor statistics of the United States department of labor.

(c) "Growth of the consumer price index for shelter" means the percentage increase in the consumer price index for shelter as measured from data published by the bureau of labor statistics of the United States department of labor by July 31st for the most recent three-year period for the selling price threshold adjustment in 2022, and the most recent four-year period for subsequent selling price threshold adjustments.

(d) "Timberland" means land classified under chapter 84.34 RCW or designated under chapter 84.33 RCW, including any structures and standing timber on such land, and standing timber sold apart from the land upon which it sits.

Sec. 17. RCW 82.45.230 and 2019 c 424 s 2 are each amended to read as follows:

(1) Beginning January 1, 2020, and ending June 30, 2023, the amounts received for the tax imposed on each sale of real property under RCW 82.45.060 must be deposited as follows:

(a) 1.7 percent must be deposited into the public works assistance account created in RCW 43.155.050;

(b) 1.4 percent must be deposited into the city-county assistance account created in RCW 43.08.290;

(c) 79.4 percent must be deposited into the general fund; and

(d) The remainder must be deposited into the educational legacy trust account created in RCW 83.100.230.

(2) Beginning July 1, 2023, and thereafter, the amounts received for the tax imposed on each sale of real property under RCW 82.45.060 must be deposited as follows:

(a) 5.2 percent must be deposited into the public works assistance account created in RCW 43.155.050;

(b) 1.4 percent must be deposited into the city-county assistance account created in RCW 43.08.290;

(c) 79.4 percent less the percentage of any amounts distributed to a city or county under RCW 82.45.060 must be deposited into the general fund; and

(d) The remainder must be deposited into the education legacy trust account created in RCW 83.100.230.

NEW SECTION. Sec. 18. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2022, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "framework;" strike the remainder of the title and insert "amending RCW 36.70A.020, 36.70A.480, 36.70A.070, 36.70A.320, 36.70A.190, 86.12.200, 36.70A.030, 82.45.060, and 82.45.230; adding new sections to chapter 36.70A RCW; adding a new section to chapter 70A.45 RCW; adding a new section to chapter 47.80 RCW; adding a new section to chapter 90.58 RCW; adding a new section to chapter 43.21C RCW; and creating new sections."

And the bill do pass as recommended by the conference committee.

Signed by Senators Lovelett and Van De Wege; Representatives Duerr and Fitzgibbon.

MOTION

Senator Lovelett moved that the Report of the Conference Committee on Engrossed Second Substitute House Bill No. 1099 be adopted.

Senator Short objected to adoption of the Report of the Conference Committee.

POINT OF ORDER

Senator Short: "Yes, Mr. President. The substitute bill, if I may read the title Mr. President, is entitled relating to improving the states climate response through updates to the states comprehensive planning framework. Mr. President, the object of the bill is to incorporate goals and elements of reducing greenhouse gas emissions and vehicle miles traveled. The underlying bill proposes to, to set the framework for the counties, for local governments, to do this work in the reduction of vehicle miles traveled and the reduction of greenhouse gas emissions and to instruct Commerce to do technical guidance, Mr. President, as local governments go through this work. Now in contrast to this, this amendment, there's a section providing a tax incentive program. Mr. President, sections 15 through 17 introduce tax policy into the bill for the very first time. Very first time. Now housing policy, Mr. President, had been introduced throughout the process. But tax incentives related in this particular bill had never been introduced until the process that we have before us, and it does not fall within the scope of the bill. Remember, Mr. President, this is a bill about planning, not a bill about tax policy. And tax policy, if you think of it Mr. President, is about implementation. These are goals and elements set out for local governments to plan. So, the tax policy language that originated is from House Bill No. 1157, Mr. President, which did not continue through the process. Therefore, I believe, and it's my argument to you, Mr. President, that the amendment broadens the scope of the bill and changes its objectives, a maneuver that our rules and our constitution forbid. Mr. President, I respectfully asked that you find the amendment is not in order. Thank you Mr. President."

Senator Pedersen: "Thank you very much Mr. President. Rising to disagree with my colleague from the Seventh District. The underlying bill should really be considered an omnibus bill that's related to modifying the Growth Management Act's comprehensive planning process. It has a broad goal of promoting climate resiliency through the creation of a new element related to climate change, incorporating climate resiliency into existing elements and through creation and modification of tools available to assist local jurisdictions in implementing these new climate change and resiliency elements. Mr. President, one of the existing elements in GMA planning is the housing element, which includes planning for increasing housing, housing density. The new climate change element created in the underlying bill also includes provisions relating to increasing housing density and middle housing. The amendatory language that's being challenged is entirely related to using housing density and middle housing as a means of addressing climate change and resiliency and it's simply providing local jurisdictions with another tool for their planning processes that complements the other tools that are already included in this omnibus bill. Since the subject matter of the underlying bill already introduced the concept of using building density and middle housing as a means to achieve climate resiliency within the growth management planning process, the amendment is in no way introducing a new subject or alternative purpose and I would ask that you rule that striking amendment before us is within the scope and object of the underlying bill, and that the point of order is not well taken. Thank you."

MOTION

On motion of Senator Pedersen, further consideration of Engrossed Second Substitute House Bill No. 1099 was deferred, and the bill held its place on the third reading calendar.

The Vice President Pro Tempore assumed the chair, Senator Lovick presiding.

MESSAGE FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 5689 and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Engrossed Substitute Senate Bill No. 5689

March 9, 2022

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed Substitute Senate Bill No. 5689, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"2021-2023 FISCAL BIENNIUM

GENERAL GOVERNMENT AGENCIES—OPERATING

Sec. 101. 2021 c 333 s 101 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Motor Vehicle Account—State Appropriation ~~(\$546,000)~~
\$554,000

Sec. 102. 2021 c 333 s 105 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account—State Appropriation ~~(\$1,346,000)~~
\$1,394,000

Sec. 103. 2021 c 333 s 106 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor Vehicle Account—State Appropriation ~~(\$668,000)~~
\$674,000

Sec. 104. 2021 c 333 s 107 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

Motor Vehicle Account—State Appropriation \$150,000

The appropriation in this section is subject to the following conditions and limitations: The total appropriation in this section is provided solely for the Washington state institute for public policy to conduct a cost-benefit analysis for an exclusive or partial American steel requirement for future transportation contracts and subcontracts authorized in the transportation budget. This

cost-benefit analysis must, to the extent feasible: (1) Compare existing types and uses of steel to made in America steel alternatives including evaluation of quality; (2) examine benefits to Washington workers and the Washington economy; (3) examine lifecycle and embodied carbon greenhouse gas emissions; (4) identify requirements for purchasing American steel that minimize costs and maximize benefits; and (5) evaluate American steel requirements or preferences in other states. The Washington state institute for public policy may solicit input for the analysis from representatives of interested parties to include, but not be limited to, the construction and manufacturing sectors, organized labor in the construction and manufacturing sectors, cities, counties, American steel manufacturing companies, environmental advocacy organizations, and appropriate state agencies. A final report is due to the legislature by December 1, ~~(2021)~~ 2022.

Sec. 105. 2021 c 333 s 109 (uncodified) is amended to read as follows:

FOR THE BOARD OF PILOTAGE COMMISSIONERS
 Pilotage Account—State Appropriation ~~(\$5,777,000)~~
\$6,334,000

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

(1) \$2,926,000 of the pilotage account—state appropriation is provided solely for self-insurance liability premium expenditures; however, this appropriation is contingent upon the board:

(a) Annually depositing the first \$150,000 collected through Puget Sound pilotage district pilotage tariffs into the pilotage account; and

(b) Assessing a self-insurance premium surcharge of \$16 per pilotage assignment on vessels requiring pilotage in the Puget Sound pilotage district.

(2) The board of pilotage commissioners shall file the annual report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) by September 1, 2021, and annually thereafter. The report must include the continuation of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

Sec. 106. 2021 c 333 s 113 (uncodified) is amended to read as follows:

FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

Puget Sound ~~(Ferry)~~ Capital Construction Account
~~((Puget Sound Capital Construction Account))~~—State Appropriation ~~(\$300,000)~~
\$450,000

Multimodal Transportation Account—State Appropriation \$200,000

TOTAL APPROPRIATION ~~(\$500,000)~~
\$650,000

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

(1) ~~(\$300,000)~~ \$450,000 of the Puget Sound ~~(ferry)~~ capital construction account ~~((Puget Sound capital construction account))~~—state is provided solely for an independent review of the Washington state ferry system's design-build contracting process for ~~((the))~~ hybrid-electric ~~((Olympic class))~~ vessels. ~~((The review must evaluate, at minimum, the department's cost estimation and cost management practices relating to the design and construction of the first hybrid electric vessel.))~~ The review must ~~((include recommendations to benefit the full program for the design and construction of five hybrid electric vessels))~~

compare Washington state ferry's policies and practices for design-build contracting to best practices, both domestically and internationally, and recommend best practices that would benefit the Washington state ferry system as well as any updates to existing RCW needed to implement recommendations. The review must evaluate opportunities in the contracting process to decrease vessel construction costs and ensure operational efficiencies. The joint legislative audit and review committee must report to the legislature with the findings by ~~((October 1, 2022))~~ June 30, 2023.

(2) \$200,000 of the multimodal transportation account—state appropriation is provided solely for the joint legislative audit and review committee to conduct a review of the method used to determine the rates for leasing state-owned lands and air space to a regional transit authority. As part of this review, the committee must examine and evaluate the accounting and valuation methodology for debits and credits used in the land bank accounting program utilized by the department of transportation and a regional transit authority. The review must also provide an evaluation of the specific type of lease agreements used for air space leasing by the department of transportation with a regional transit authority and the valuation methodology used to determine the lease rate for the property and the cost and benefits of long-term leases based on the periodic land value appraisals under the terms of the land bank agreement. The committee must identify the full cost to the state transportation system if the entire plan for land and air rights leases by a regional transit authority is undertaken at full economic rent, and the difference in costs to the regional transit authority if the leases were to be issued at less than economic rent, including a scenario in which the value of the land and air rights are discounted by the federal share of the funds that were used to acquire or improve the property originally. The committee shall complete the review and provide a report to the transportation committees of the legislature by December 1, 2022.

NEW SECTION. Sec. 107. A new section is added to 2021 c 333 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Removal Account—State Appropriation \$200,000

The appropriation in this section is subject to the following conditions and limitations: The entire waste tire removal account—state appropriation is provided solely for a comprehensive evaluation of the waste tire clean-up program. The evaluation must include, but is not limited to, the following: An inventory of all major tire piles that exist by county and an identification of whether those tire piles are on public or private lands; an assessment of the ability to recover tire clean-up and disposal costs from the responsible parties for each of those sites; and an inventory of major tire piles that were previously placed in marine waters in an attempt to establish artificial reefs, including a review of the environmental and safety issues associated with those marine tire piles. Based on the information gathered, the final report must include recommendations for the highest and best use of approximately \$2,000,000 in time-limited resources for tire pile clean-up activities and recommendations to improve the department of ecology's current waste tire clean-up program in the future.

NEW SECTION. Sec. 108. A new section is added to 2021 c 333 (uncodified) to read as follows:

FOR THE OFFICE OF THE GOVERNOR

State Patrol Highway Account—State Appropriation \$650,000

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

(1)(a) \$350,000 of the state patrol highway account—state appropriation is provided solely to the state office of equity solely for a contract with an independent consultant to conduct the studies, evaluations, and reporting functions required in chapter .

. . . (Substitute House Bill No. 2057), Laws of 2022. The state office of equity shall work with the department of enterprise services to conduct broad outreach for the consultant to ensure that the pool of potential consultants demonstrates familiarity with diversity, equity, and inclusion recruitment and retention efforts in law enforcement.

(b) \$100,000 of the state patrol highway account—state appropriation is provided solely to the state office of equity solely for a study to analyze existing state barriers to hiring commissioned officers. The study shall make recommendations to amend current state patrol hiring practices and underlying statutes that may need revision. Recommendations are due to the governor and appropriate committees of the legislature by December 1, 2022.

(c) \$200,000 of the state patrol highway account—state appropriation is provided solely to the state office of equity solely for facilitating long-term policy and system change to achieve equity in Washington state patrol hiring practices, including assisting Washington state patrol in applying an equity lens in all aspects of agency decision making, including program development, policy development, budgeting, and hiring. Activities to support this purpose may include an engagement plan with the communities served by the Washington state patrol and technical assistance to the Washington state patrol to build its internal capacity to sustain meaningful engagement with communities in all aspects of agency decision making.

(2) If chapter . . . (Substitute House Bill No. 2057), Laws of 2022 (strengthening diversity, equity, and inclusion in the state patrol workforce) is not enacted by June 30, 2022, the amount provided in the section lapses.

NEW SECTION. Sec. 109. A new section is added to 2021 c 333 (uncodified) to read as follows:

FOR WASHINGTON STATE UNIVERSITY

Motor Vehicle Account—State Appropriation \$200,000

Multimodal Transportation Account—State Appropriation

\$225,000

TOTAL APPROPRIATION

\$425,000

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

(1) \$200,000 of the motor vehicle account—state appropriation is provided solely for costs related to chapter . . . (Engrossed Second Substitute House Bill No. 1815), Laws of 2022 (catalytic converter theft). If chapter . . . (Engrossed Second Substitute House Bill No. 1815), Laws of 2022 is not enacted by June 30, 2022, then the amounts provided in this subsection lapse.

(2) \$225,000 of multimodal transportation account—state is provided solely to convene a work group to review the legal findings and holdings by the Washington supreme court in *City of Seattle v. Long* and to make recommendations in amending provisions concerning the towing and impound of vehicles under chapter 46.55 RCW. The work group must include relevant stakeholders including, but not limited to, vehicle resident advocates, nonprofit legal services organizations, tow truck operators or associations, municipal court representatives, fire chiefs and marshals, and representatives from cities and counties. The work group must meet at least three times and evaluate the following: The need to identify additional parties authorized to receive notice of and redeem impounded vehicles used as residences; the most effective and appropriate methods to identify vehicles used as residences before and after impound; the need to modify impound notice periods and forms; the need to modify impound hearing and public auction procedures and timelines for vehicles used as residences; the need to modify retention policies and timelines concerning impounded vehicles used as residences; which factors and considerations are appropriate for courts to evaluate when determining if towing and storage fees are

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excessive; the appropriate persons or entities and process to reimburse tow truck operators when excessive towing and storage fees are reduced; any other necessary procedural modifications or protections required, including homestead act protections, concerning impounded vehicles used as residences; and any other technical amendments or policy considerations discussed by the work group. The final report, including any work group findings and recommended legislative changes, must be submitted to the appropriate committees of the legislature and the governor by December 1, 2022.

TRANSPORTATION AGENCIES—OPERATING

Sec. 201. 2021 c 333 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation	(\$4,625,000)
	<u>\$5,125,000</u>
Highway Safety Account—Federal Appropriation	(\$27,202,000)
	<u>\$27,324,000</u>
Highway Safety Account—Private/Local Appropriation	\$60,000
<u>Cooper Jones Active Transportation Safety Account—State Appropriation</u>	<u>\$400,000</u>
School Zone Safety Account—State Appropriation	\$850,000
TOTAL APPROPRIATION	(\$32,737,000)
	<u>\$33,759,000</u>

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

(1) The Washington traffic safety commission may oversee a demonstration project in one county, coordinating with a public transportation benefit area (PTBA) and the department of transportation, to test the feasibility and accuracy of the use of automated enforcement technology for high occupancy vehicle (HOV) lane passenger compliance. All costs associated with the demonstration project must be borne by the participating public transportation benefit area. Any photograph, microphotograph, or electronic images of a driver or passengers are for the exclusive use of the PTBA in the determination of whether an HOV passenger violation has occurred to test the feasibility and accuracy of automated enforcement under this subsection and are not open to the public and may not be used in a court in a pending action or proceeding. All photographs, microphotographs, and electronic images must be destroyed after determining a passenger count and no later than the completion of the demonstration project. No warnings or notices of infraction may be issued under the demonstration project.

For purposes of the demonstration project, an automated enforcement technology device may record an image of a driver and passenger of a motor vehicle. The county and PTBA must erect signs marking the locations where the automated enforcement for HOV passenger requirements is occurring.

The PTBA, in consultation with the Washington traffic safety commission, must provide a report to the transportation committees of the legislature with the number of violations detected during the demonstration project, whether the technology used was accurate and any recommendations for future use of automated enforcement technology for HOV lane enforcement by June 30, (~~2022~~) 2023.

(2) The Washington traffic safety commission may oversee a pilot program in up to three cities implementing the use of automated vehicle noise enforcement cameras in zones that have been designated by ordinance as "Stay Out of Areas of Racing."

(a) Any programs authorized by the commission must be authorized by December 31, 2022.

(b) If a city has established an authorized automated vehicle noise enforcement camera pilot program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based upon the value of the equipment and services provided or rendered in support of the system.

(c) Any city administering a pilot program overseen by the traffic safety commission shall use the following guidelines to administer the program:

(i) Automated vehicle noise enforcement camera may record photographs or audio of the vehicle and vehicle license plate only while a violation is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(ii) The law enforcement agency of the city or county government shall install two signs facing opposite directions within 200 feet, or otherwise consistent with the uniform manual on traffic control devices, where the automated vehicle noise enforcement camera is used that state "Street Racing Noise Pilot Program in Progress";

(iii) Cities testing the use of automated vehicle noise enforcement cameras must post information on the city website and notify local media outlets indicating the zones in which the automated vehicle noise enforcement cameras will be used;

(iv) A city may only issue a warning notice with no penalty for a violation detected by automated vehicle noise enforcement cameras in a Stay Out of Areas of Racing zone. Warning notices must be mailed to the registered owner of a vehicle within fourteen days of the detected violation;

(v) A violation detected through the use of automated vehicle noise enforcement cameras is not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120;

(vi) Notwithstanding any other provision of law, all photographs, videos, microphotographs, audio recordings, or electronic images prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding. No photograph, microphotograph, audio recording, or electronic image may be used for any purpose other than the issuance of warnings for violations under this section or retained longer than necessary to issue a warning notice as required under this subsection (2); and

(vii) By June 30, 2023, the participating cities shall provide a report to the commission and appropriate committees of the legislature regarding the use, public acceptance, outcomes, warnings issued, data retention and use, and other relevant issues regarding automated vehicle noise enforcement cameras demonstrated by the pilot projects.

(3) The Washington traffic safety commission shall coordinate with each city that implements a pilot program as authorized in RCW 46.63.170, chapter 224, Laws of 2020 to provide the transportation committees of the legislature with the following information by June 30, 2023:

(a) The number of warnings and infractions issued to first-time violators under the pilot program;

(b) The number of warnings and infractions issued to the registered owners of vehicles that are not registered with an address located in the city conducting the pilot program; and

(c) The frequency with which warnings and infractions are issued on weekdays versus weekend days.

(4) \$400,000 of the Cooper Jones active transportation safety account—state appropriation is provided solely for grant projects or programs for bicycle, pedestrian, and nonmotorist safety improvement administered by the commission in consultation with the Cooper Jones active transportation safety council. However, the funds must be held in unallotted status until the commission submits a spending plan to the transportation

committees of the legislature and the governor.

(5) \$485,000 of the highway safety account—state appropriation and \$50,000 of the highway safety account—federal appropriation are provided solely to develop a statewide public awareness campaign to inform and educate Washington citizens about the slow down and move over law, RCW 46.61.212. The educational campaign must include the use of public service announcements and written and digital informative and educational materials distributed by reasonable means. The Washington traffic safety commission and the department of licensing, working independently or in collaboration or both, shall develop the public awareness campaign using any available resources, as well as federal and other grant funds that may, from time to time, become available for this purpose.

Sec. 202. 2021 c 333 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	((\$1,134,000))
	<u>\$1,155,000</u>
Motor Vehicle Account—State Appropriation	((\$4,760,000))
	<u>\$4,821,000</u>
County Arterial Preservation Account—State Appropriation	((\$1,669,000))
	<u>\$1,693,000</u>
TOTAL APPROPRIATION	((\$7,563,000))
	<u>\$7,669,000</u>

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

(1) \$2,000,000 of the motor vehicle account—state appropriation is provided solely for deposit into the county road administration board emergency loan account—state account.

(2) Within appropriated funds, the county road administration board may opt in as provided under RCW 70A.02.030 to assume all of the substantive and procedural requirements of covered agencies under chapter 70A.02 RCW. The board shall include in its 2022 annual report to the legislature a progress report on opting into the healthy environment for all act and a status report on diversity, equity, and inclusion within the board's jurisdiction.

Sec. 203. 2021 c 333 s 203 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State Appropriation	((\$4,510,000))
	<u>\$4,577,000</u>

The appropriations in this section are subject to the following conditions and limitations: Within appropriated funds, the transportation improvement board may opt in as provided under RCW 70A.02.030 to assume all of the substantive and procedural requirements of covered agencies under chapter 70A.02 RCW. The board shall include in its 2022 annual report to the legislature a progress report on opting into the healthy environment for all act and a status report on diversity, equity, and inclusion within the board's jurisdiction.

Sec. 204. 2021 c 333 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE	
Motor Vehicle Account—State Appropriation	((\$2,679,000))
	<u>\$3,197,000</u>
Multimodal Transportation Account—State Appropriation	((\$420,000))
	<u>\$1,620,000</u>
TOTAL APPROPRIATION	((\$3,099,000))
	<u>\$4,817,000</u>

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

(1)(a) \$250,000 of the motor vehicle account—state appropriation is for the joint transportation committee to convene a vehicle registration payment work group to study and recommend new options for payment of vehicle fees or taxes due at the time of application for vehicle registration.

(b) The work group must consist of, but is not limited to, the following members: A representative of the department of licensing, a representative of county auditors, a representative of subagents, a representative of local taxing authorities imposing a fee or tax due at the time of application for vehicle registration, a representative of a city offering or considering a rebate program for vehicle fees or taxes due at the time of application for vehicle registration, a representative of vehicle owners subject to a motor vehicle excise tax, a representative of vehicle owners subject to an electric car or transportation electrification fee, and an advocate for multimodal transportation options. Work group members are eligible for reimbursement or allowance for expenses pursuant to RCW 43.03.220.

(c) The work group must engage with members of the public who are interested in new options for payment of fees or taxes due at the time of application for vehicle registration, including persons from communities of color, low-income households, vulnerable populations, and displaced communities. Input from members of the public must inform the work group's recommendations. The work group must notify members of the public of opportunities to engage through a variety of communication channels including, but not limited to, the following: Outreach through community organizations, print and broadcast media, and social media.

(d) The work group's recommendations must include, but are not limited to, the following:

(i) Options to provide or encourage rebates to vehicle owners who pay taxes and fees due at the time of application for vehicle registration;

(ii) An agreed upon service fee structure for vehicle registration payment plans;

(iii) An agreed upon service fee revenue allocation method;

(iv) A process to allow agents and subagents to determine if a vehicle owner has paid all taxes and fees due prior to renewal of a vehicle registration;

(v) Options for reducing revenue loss due to missed payments, transfer of the certificate of title, or registration of a vehicle out of state; and

(vi) Options to reduce impacts to communities of color, low-income households, vulnerable populations, and displaced communities.

(e) A report of the work group's findings and recommendations is due to the transportation committees of the legislature by September 30, 2022.

(2) \$50,000 of the motor vehicle account—state appropriation is for the joint transportation committee to contract for a legal consultant to analyze and recommend options for the formation of a bistate bridge authority for the purpose of constructing, financing, operating and maintaining a new replacement bridge over the Columbia River near Hood River connecting Klickitat county in Washington to Hood River county in Oregon. The consultant may confer with the Hood River Bistate Working Group to understand the work and analysis that has been completed.

The Washington interlocal cooperation act, chapter 39.34 RCW, authorizes public agencies to contract with other public agencies via interlocal agreements that enable cooperation among the agencies to perform governmental activities and deliver public services, including agreements with public entities in other states.

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Such interstate agreements are deemed interstate compacts. The legal analysis must identify and recommend alternative and/or additional statutory authority that would be necessary to allow for the formation of a local government bistate bridge authority or governance structure for the Hood River Bridge replacement that at a minimum may:

- (a) Issue bonds for bridge construction;
- (b) Collect tolls; and
- (c) Secure and administer state or federal grants and loans.

The legal analysis must be presented to the transportation committees of the legislature by September 30, 2021.

(3) \$220,000 of the multimodal transportation account—state appropriation is for overseeing a consultant study to provide recommendations related to the Washington state department of transportation's role in broadband service expansion efforts as directed in chapter 258, Laws of 2021 (broadband along state highways). If chapter 258, Laws of 2021 (broadband along state highways) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(4) \$215,000 of the motor vehicle account—state appropriation is provided solely for the joint transportation committee, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to convene a study on the impacts of current and historical city transportation investments on designated populations, including communities of color, low-income households, vulnerable populations, and displaced communities. The study must identify and measure the true costs of underinvestment of accessible transportation for designated populations, including the secondary impacts to public health, economic opportunity, educational access, and environmental risk factors. The assessment must include specific approaches to addressing existing inequities within cities, as well as recommendations to develop best practices to improve, diversify, and expand city transportation investments. A report must be provided to the office of financial management and the transportation committees of the legislature by December 20, 2022.

(5) \$400,000 of the motor vehicle account—state appropriation is for the development of a workforce plan for the Washington state ferries which addresses recruitment, retention, diversity, training needs, leadership development, succession planning and other elements needed to ensure sufficient and cost-effective crewing and staffing of the ferry system. In developing the scope of work for the plan and throughout plan development, the joint transportation committee must solicit input from representatives of the Washington state ferries division and the human resources division of the Washington state department of transportation. Represented employee groups must also be consulted as part of plan development. The plan must include a roadmap for Washington state ferries to comprehensively address persistent staffing challenges and strategically position itself for its future workforce needs. The joint transportation committee must issue an interim report identifying short-term strategies to reduce reliance on overtime for staffing day-to-day ferry service. The interim report is due to the transportation committees of the legislature by January 1, 2022. The final report is due to the transportation committees of the legislature by December 20, 2022.

(6) \$200,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to update the Washington State Short Line Rail Inventory and Needs Assessment, prepared in 2015, and to facilitate a stakeholder process to assess the effectiveness of state support for short line rail infrastructure based on current and future short line rail infrastructure needs. This assessment must include consideration

of current state grant and loan programs, including state investment in nonstate owned short lines, the state's role and investments in the Palouse River and Coulee City (PCC) rail system, and any other ongoing state activities related to short line rail infrastructure. The joint transportation committee must solicit input from all regions of the state from representatives of: Short line rail infrastructure owners, short line rail operators, short line rail customers from representative industries, ports served by short line rail infrastructure, the Washington state department of transportation, the utilities and transportation commission, and other relevant stakeholders as identified by the joint transportation committee. A report with recommendations to enhance the state's support for short line rail infrastructure is due to the transportation committees of the legislature by January 1, 2022.

(7)(a) \$200,000 of the motor vehicle account—state appropriation is for the joint transportation committee to develop a truck parking action plan with recommendations for immediate next steps for near-term and lasting change in the availability of truck parking for short-haul and long-distance commercial vehicle drivers who require reasonable accommodations for parking commercial motor vehicles, obtaining adequate services, and complying with federal rest requirements. For each opportunity identified, the action plan must:

- (i) Assess the magnitude of potential impact;
- (ii) Assess the potential difficulty level of implementation; and
- (iii) Explain barriers to success and specific steps required to overcome them.

(b) The action plan must focus on approaches that would be most impactful and feasible and may include, but not be limited to:

- (i) Specific cooperative private sector and government actions;
- (ii) Legal and regulatory frameworks at the state level to drive private and/or public-sector action;
- (iii) Incentive-based government programs to spur private sector innovation and investment; and
- (iv) Direct government action at the state, regional, and/or local level.

(c) The action plan must identify specific, promising projects and approaches, and provide a clear roadmap to what is needed to drive real, substantial improvements in truck parking.

(d) Outreach for action plan input, including on the feasibility of each opportunity evaluated, must include outreach to representatives of: The trucking industry; truck labor organizations; the shipping industry; truck stop owners; commercial freight delivery recipients, including warehouse and retail recipients; the association of Washington cities; the Washington state association of counties; the Washington state department of transportation; the Washington state patrol; and an academic or research institution that can provide input on technical components of the plan.

(e) A concise action plan with specific recommended next steps is due to the transportation committees of the legislature by January 1, 2022.

(8) \$400,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a study to determine how many nondrivers are in Washington state and the demographics of this population. The joint transportation committee is directed to conduct a survey, conduct research, develop a dataset, and conduct analysis on the nondriving population of Washington state. The analysis must include, but is not limited to: (a) Reasons for not driving; (b) demographics of who is not driving to include age, disability status, rural or urban residence, and other available demographic information; and (c) availability of transportation options for

nondrivers and the impact those options have on their access to services, economic opportunity, recreation, education, and other aspects of community life. A report must be provided to the transportation committees of the legislature by February 1, 2023.

(9) \$250,000 of multimodal transportation account—state appropriation is for a comprehensive evaluation of the Washington state patrol's fleet of Cessna aircraft. The evaluation must include, but is not limited to, the following: (a) An assessment of the current use and performance, including outcomes measures, associated with the aircraft; (b) the timing of any needed replacement of the aircraft; (c) the feasibility, cost, and benefits associated with replacing the aircraft with ones powered by alternative fuel; and (d) a review of innovative technologies, including unmanned aerial aircraft, to achieve the desired outcomes. The final report must be submitted by December 1, 2022.

(10) \$400,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct an independent review of an ultra high-speed ground transportation corridor between Portland, Oregon and Vancouver, British Columbia. The review should include an assessment of the assumptions included in the studies overseen by the Washington state department of transportation: A 2017 to 2018 feasibility study; a 2019 business case analysis; and a 2020 report with recommendations for a governance framework, strategic engagement plan, and financial strategy. The joint transportation committee shall provide a report with its findings to the transportation committees of the legislature by June 30, 2023.

(11) \$150,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to examine options and provide recommendations for a state program to assist with the establishment of powered micromobility device lending libraries. The purpose of the powered micromobility device lending libraries is to provide low-cost or no-cost, reliable, and healthier modes of transportation to vulnerable communities. It is anticipated that the powered micromobility device lending libraries would be managed by community nonprofit organizations, local governments, higher education institutions, school districts, or federally recognized tribal governments. The options that should be examined include, but are not limited to: A state-funded grant program for the purchase of powered micromobility devices to be used in powered micromobility device lending libraries, direct technical assistance for establishing community-based powered micromobility device lending libraries, and direct-to-consumer incentives to applicants to purchase powered micromobility. Recommendations must specify how to prioritize program benefits for vulnerable populations and overburdened communities, including tribes, seniors, low-income populations, and communities with high environmental burdens. Powered micromobility devices to be examined by this study are devices that do not exceed product speed of 30 miles per hour or product weight of 100 pounds and include electric bicycles, electric cargo bikes, electric standing scooters, and other mobility devices under 50 pounds in weight that do not use fossil fuels. The joint transportation committee shall provide a report with its findings to the transportation committees of the legislature by June 30, 2023.

(12)(a) Within existing resources the joint transportation committee must convene a work group to discuss, collaborate, and develop recommendations to the committee on the distribution of federal-aid highway formula program funding from the infrastructure investment and jobs act to state and local government in future biennia. In addition to the executive committee of the joint transportation committee the work group shall include the governor's office, governor's staff from the office of financial management as well as one representative of each of

the following:

- (i) The Washington state association of counties;
- (ii) Metropolitan planning organizations;
- (iii) Regional transportation planning organizations;
- (iv) The association of Washington cities;
- (v) Tribes;
- (vi) The Washington state department of transportation;
- (vii) The Washington public ports association; and
- (viii) The Washington state transit association.

(b) The Washington state department of transportation shall provide technical overviews, information, and updates on federal requirements, regulations and guidance from the United States department of transportation on spending federal-aid highway formula program funding.

(c) As the work group develops recommendations, Washington state department of transportation staff shall provide technical review of the recommendations to ensure federal requirements, including federal performance measures, can be met.

(d) Work group meetings shall be open to interested stakeholders and include opportunities for public comment.

(e) Following the meetings of the work group, the joint transportation committee shall consult with the governor's office prior to the committee recommending a distribution of federal aid highway formula program funding.

(f) The joint transportation committee, with recognition of the state's history of collaboration and open discussion, shall provide recommendations to the legislature on the allocation of the infrastructure investment and jobs act funding by September 30, 2022.

(13) \$450,000 of the motor vehicle account—state appropriation is for the joint transportation committee to conduct a study to assess opportunities to encourage high-consumption fuel users, including users of diesel fuel and gasoline, as well as in consideration of fleet usage, to switch to electric vehicles, where any zero-emissions vehicle is considered an electric vehicle. The purpose of the study is to significantly advance policymakers' understanding of the dynamics impacting consumer decisions to transition from a fossil-fueled vehicle to an electric vehicle, and to evaluate potential policies to help encourage this transition, including related to the availability of electric vehicle recharging infrastructure. A report on the study must be submitted to the transportation committees of the legislature and the governor by July 1, 2023. The legislature intends for the study to result in the collection of data to determine, at a minimum, the following:

(a) Which high-consumption users of fuel can switch to electric vehicles for a high percentage of their driving needs;

(b) How much money can high-consumption fuel users save by switching to electric vehicles;

(c) How many gallons of fuel are displaced by high-consumption fuel users switching to electric vehicles;

(d) What policies, including related to electric vehicle charging infrastructure, would encourage high-consumption fuel users to make the switch to electric vehicles;

(e) What high-consumption fuel users' attitudes and perceptions about electric vehicles are;

(f) What barriers, concerns, and viewpoints are held by high-consumption fuel users in relation to electric vehicles; and

(g) What messages are most effective for transitioning high-consumption fuel users to electric vehicles.

Sec. 205. 2021 c 333 s 205 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation ((~~\$2,438,000~~))
\$3,804,000

Interstate 405 and State Route Number 167 Express Toll Lanes

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Account—State Appropriation	\$127,000
State Route Number 520 Corridor Account—State Appropriation	\$276,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$180,000
Alaskan Way Viaduct Replacement Project Account—State Appropriation	\$172,000
TOTAL APPROPRIATION	((\$3,193,000) \$4,559,000)

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

(1)(a) The commission shall reconvene the road usage charge steering committee, with the same membership described in chapter 297, Laws of 2018, and shall periodically report to the steering committee with updates on activities undertaken in accordance with the federal grant awarded July 2020 ("Forward Drive"). A year-end update on the status of any federally-funded project for which federal funding is secured must be provided to the governor's office and the transportation committees of the legislature by January 1, 2022, and by January 1, 2023. Any legislative vacancies on the steering committee must be appointed by the speaker of the house of representatives for a house of representatives member vacancy, and by the president of the senate for a senate member vacancy.

(b) The commission shall coordinate with the department of transportation to jointly seek federal funds available through the federal strategic innovations in revenue collection grant program, applying toll credits for meeting match requirements. One or more grant applications may be developed that, at a minimum, propose to:

(i) Assess the impact of a road usage charge, incentives, and other factors on consumer purchase of electric vehicles and conduct a test with drivers to fully assess impacts;

(ii) Assess delivery vehicle fleets and how a road usage charge may be applied, identifying potential impacts to fleet operations and costs, and state transportation revenues, and conducting a pilot test to further inform the identification of potential impacts from a road usage charge;

(iii) Review the process for changing vehicle ownership and determine the considerations and possible implications with a road usage charge system, identifying the processes and structure needed for reconciling a road usage charge owed between sellers and purchasers of used vehicles; and

(iv) Identify opportunities for achieving large-scale data integration to support road usage charge service provisions that could be offered by private-sector service providers, conducting a pilot test to determine the ability of such service providers to support automated mileage reporting and periodic payment services.

~~((3))~~ (2) \$127,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation, \$276,000 of the state route number 520 corridor account—state appropriation, \$180,000 of the Tacoma Narrows toll bridge account—state appropriation, and \$172,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the transportation commission's proportional share of time spent supporting tolling operations for the respective tolling facilities.

(3) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for the commission to conduct a full planning-level traffic and revenue study of the Hood River Bridge to determine the viability of toll revenues to support future financing of improvements and possible replacement of the bridge, considering prior work and studies conducted. The commission shall coordinate this work with the department of

transportation, the Port of Hood River, the Oregon department of transportation, and other entities as needed. The results of the assessment must be submitted to the house and senate transportation committees by June 30, 2023.

Sec. 206. 2021 c 333 s 206 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State Appropriation	((\$831,000) \$843,000)
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The appropriations in this section are subject to the following conditions and limitations: Within appropriated funds, the freight mobility strategic investment board may opt in as provided under RCW 70A.02.030 to assume all of the substantive and procedural requirements of covered agencies under chapter 70A.02 RCW. The board shall include in its 2022 annual report to the legislature a progress report on opting into the healthy environment for all act and a status report on diversity, equity, and inclusion within the board's jurisdiction.

Sec. 207. 2021 c 333 s 207 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation	((\$517,391,000) \$524,348,000)
State Patrol Highway Account—Federal Appropriation	((\$15,838,000) \$16,433,000)
State Patrol Highway Account—Private/Local Appropriation	((\$4,267,000) \$4,314,000)
Highway Safety Account—State Appropriation	((\$1,214,000) \$1,292,000)
Ignition Interlock Device Revolving Account—State Appropriation	((\$5,053,000) \$2,243,000)
Multimodal Transportation Account—State Appropriation	((\$288,000) \$293,000)
State Route Number 520 Corridor Account—State Appropriation	\$433,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$77,000
I-405 and SR 167 Express Toll Lanes Account—State Appropriation	\$1,348,000
TOTAL APPROPRIATION	((\$545,909,000) \$550,781,000)

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

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) \$580,000 of the state patrol highway account—state appropriation is provided solely for the operation of and administrative support to the license investigation unit to enforce vehicle registration laws in southwestern Washington. The Washington state patrol, in consultation with the department of revenue, shall maintain a running estimate of the additional

vehicle registration fees, sales and use taxes, and local vehicle fees remitted to the state pursuant to activity conducted by the license investigation unit. Beginning October 1, 2021, and quarterly thereafter, the Washington state patrol shall submit a report detailing the additional revenue amounts generated since January 1, 2021, to the director of the office of financial management and the transportation committees of the legislature. At the end of the calendar quarter in which it is estimated that more than \$625,000 in state sales and use taxes have been remitted to the state since January 1, 2021, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 406 ~~((of this act))~~, chapter 333, Laws of 2021.

(3) \$4,000,000 of the state patrol highway account—state appropriation is provided solely for a third arming and a third trooper basic training class. The cadet class is expected to graduate in June 2023.

(4) By December 1st of each year during the 2021-2023 biennium, the Washington state patrol must report to the house and senate transportation committees on the status of recruitment and retention activities as follows:

- (a) A summary of recruitment and retention strategies;
- (b) The number of transportation funded staff vacancies by major category;
- (c) The number of applicants for each of the positions by these categories;
- (d) The composition of workforce;
- (e) Other relevant outcome measures with comparative information with recent comparable months in prior years; and
- (f) Activities related to the implementation of the agency's workforce diversity plan, including short-term and long-term, specific comprehensive outreach and recruitment strategies to increase populations underrepresented within both commissioned and noncommissioned employee groups.

(5) \$493,000 of the state patrol highway account—state appropriation is provided solely for aerial criminal investigation tools, including software licensing and maintenance, and annual certification, and is subject to the conditions, limitations, and review requirements of section 701 ~~((of this act))~~, chapter 333, Laws of 2021.

(6) ~~((\$7,962,000))~~ \$6,422,000 of the state patrol highway account—state appropriation is provided solely for the land mobile radio system replacement, upgrade, and other related activities. Beginning January 1, 2022, the Washington state patrol must report semiannually to the office of the state chief information officer on the progress related to the projects and activities associated with the land mobile radio system, including the governance structure, outcomes achieved in the prior six month time period, and how the activities are being managed holistically as recommended by the office of the chief information officer. At the time of submittal to the office of the state chief information officer, this report shall be transmitted to the office of financial management and the house and senate transportation committees.

(7) \$510,000 of the ignition interlock device revolving account—state appropriation is provided solely for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(8) \$1,348,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation, \$433,000 of the state route number 520 corridor account—state appropriation, and \$77,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for the Washington state patrol's proportional share of time spent supporting tolling

operations and enforcement for the respective tolling facilities.

(9) \$289,000 of the state patrol highway account—state appropriation is provided solely for the replacement of 911 workstations.

(10) \$35,000 of the state patrol highway account—state appropriation is provided solely for the replacement of bomb response equipment.

(11) \$713,000 of the state patrol highway account—state appropriation is provided solely for information technology infrastructure maintenance.

(12) The Washington state patrol must provide a report to the office of financial management and the house and senate transportation committees on its plan for implementing a transition to cloud computing and storage with its 2023-2025 budget submittal.

(13) \$945,000 of the state patrol highway account—state appropriation is provided solely for implementation of chapter 329, Laws of 2021 (custodial interrogations). ~~((If chapter 329, Laws of 2021 (custodial interrogations) is not enacted by June 30, 2021, the amount provided in this subsection lapses.))~~

(14) \$46,000 of the state patrol highway account—state appropriation is provided solely for implementation of chapter 320, Laws of 2021 (peace officer tactics). ~~((If chapter 320, Laws of 2021 (peace officer tactics) is not enacted by June 30, 2021, the amount provided in this subsection lapses.))~~

(15) \$46,000 of the state patrol highway account—state appropriation is provided solely for implementation of chapter 324, Laws of 2021 (use of force by officers). ~~((If chapter 324, Laws of 2021 (use of force by officers) is not enacted by June 30, 2021, the amount provided in this subsection lapses.))~~

(16)(a) The legislature finds that the water connection extension constructed by the Washington state patrol from the city of Shelton's water facilities to the Washington state patrol academy was necessary to meet the water supply needs of the academy. The legislature also finds that the water connection provides an ongoing water supply that is necessary to the operation of the training facility, that the state is making use of the water connection for these public activities, and that any future incidental use of the municipal infrastructure put in place to support these activities will not impede the Washington state patrol's ongoing use of the water connection extension.

(b) \$2,220,000 of the transfer from the waste tire removal account to the motor vehicle fund, as required under RCW 70A.205.425, reimburses the motor vehicle fund for the portion of the water project costs assigned by the agreement to properties, other than the Washington state patrol academy, that make use of the water connection while the agreement remains in effect. This reimbursement to the motor vehicle fund is intended to address any possibility that the termination of this agreement could be determined to result in the unconstitutional use of 18th amendment designated funds for nonhighway purposes under the constitution of the state of Washington; however, this transfer is not intended to indicate that the incidental use of this infrastructure by these properties necessarily requires such reimbursement under the state Constitution. Immediately following the transfer of funds, Washington state patrol and the city of Shelton shall meet to formally update the terms of their "Agreement for Utility Connection and Reimbursement of Water Extension Expenses" executed on June 12, 2017, to reflect the intent of the proviso.

(17) The appropriations in this section provide sufficient funding for state patrol staffing assuming vacancy savings which may change over time. Funding for staffing will be monitored and adjusted in the ~~((2022))~~ 2023 supplemental budget to restore funding as authorized staffing levels are achieved.

(18) \$331,000 of the state patrol highway account—state

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appropriation is provided solely for the state patrol's diversity, equity, and inclusion program and a contract with an external psychologist to perform exams. If chapter . . . (Substitute House Bill No. 2057), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(19) \$793,000 of the state patrol highway account—state appropriation is provided solely for the tenant improvements and higher than expected equipment costs for the toxicology lab in Federal Way, and preparing a report on the current cost recovery mechanisms and opportunities for expanding these cost recovery mechanisms in the future. The report must be submitted to the governor and the transportation committees of the legislature by November 1, 2022.

(20) \$14,788,000 of the state patrol highway account—state appropriation is provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of commissioned and noncommissioned staff vacancies. Potential uses of the funding include, but are not limited to, the following: Operating a miniacademy and training opportunities for lateral transfers from other agencies; increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the state patrol must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection. The report must also include a description of the miniacademy training, including the number of lateral transfers that entered the training, the number which completed training, the cost of the miniacademy, and a comparison of how the training was different from a conventional academy class.

(21) \$122,000 of the state patrol highway account—state appropriation, \$1,000 of the highway safety account—state appropriation, and \$4,000 of the ignition interlock account—state appropriation are provided solely for implementation of chapter . . . (House Bill No. 1804), Laws of 2022 (interruptive military service credit for members of the state retirement systems). If chapter . . . (House Bill No. 1804), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(22) \$250,000 of the state patrol highway account—state appropriation is provided solely for implementation of chapter . . . (Engrossed Substitute House Bill No. 2037), Laws of 2022 (peace officers/use of force). If chapter . . . (Engrossed Substitute House Bill No. 2037), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(23) \$949,000 of the state patrol highway account—state is provided solely for vehicle identification number inspection staff to reduce the backlog of inspections and a study of how to incorporate best practices into the program, including the timeliness of inspections.

(24) The Washington state patrol shall oversee a pilot program whereby registered tow truck operators may respond to a regional transit authority's request for impoundment of unauthorized vehicles. Under the pilot program, in order for an unauthorized vehicle to be subject to impoundment at the regional transit authority's request, the vehicle must be left unattended within the right-of-way used by a regional transit authority for high capacity transportation where the vehicle constitutes an obstruction to the operation of high capacity transportation vehicles or jeopardizes public safety. By July 1, 2023, the state patrol shall submit a report to the governor and the transportation committees of the legislature regarding the outcomes of the pilot program, and recommendations on whether the pilot program should continue or be enacted on a permanent basis.

Sec. 208. 2021 c 333 s 208 (uncodified) is amended to read

as follows:

FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State Appropriation	\$34,000
Motorcycle Safety Education Account—State Appropriation	(\$4,894,000)
	\$5,016,000
Limited Fish and Wildlife Account—State Appropriation	(\$917,000)
	\$922,000
Highway Safety Account—State Appropriation	(\$241,868,000)
	\$242,712,000
Highway Safety Account—Federal Appropriation	\$1,294,000
Motor Vehicle Account—State Appropriation	(\$73,327,000)
	\$80,449,000
Motor Vehicle Account—Federal Appropriation	(\$150,000)
	\$400,000
Motor Vehicle Account—Private/Local Appropriation	(\$6,600,000)
	\$1,336,000
Ignition Interlock Device Revolving Account—State Appropriation	(\$6,071,000)
	\$6,123,000
Department of Licensing Services Account—State Appropriation	(\$8,157,000)
	\$7,964,000
License Plate Technology Account—State Appropriation	(\$4,250,000)
	\$4,092,000
Abandoned Recreational Vehicle Account—State Appropriation	(\$3,066,000)
	\$3,078,000
Limousine Carriers Account—State Appropriation	\$110,000
Electric Vehicle Account—State Appropriation	(\$405,000)
	\$425,000
DOL Technology Improvement & Data Management Account—State Appropriation	(\$748,000)
	\$874,000
Agency Financial Transaction Account—State Appropriation	(\$21,257,000)
	\$22,257,000
(Driver Licensing Technology Support Account—State Appropriation	\$1,373,000)
TOTAL APPROPRIATION	(\$374,521,000)
	\$377,086,000

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

(1) \$1,100,000 of the highway safety account—state appropriation is provided solely for the department to provide an interagency transfer to the department of social and health services, children's administration division for the purpose of providing driver's license support to a larger population of foster youth than is already served within existing resources. Support services include reimbursement of driver's license issuance costs, fees for driver training education, and motor vehicle liability insurance costs.

(2) The appropriations in this section assume implementation by the department of cost recovery mechanisms to recoup at least \$21,257,000 during the 2021-2023 biennium in credit card and other financial transaction costs as part of charges imposed for driver and vehicle fee transactions. During the 2021-2023 fiscal biennium, the department must report any amounts recovered to the office of financial management and appropriate committees of the legislature on a quarterly basis.

(3)(a) For the 2021-2023 biennium, the department shall charge ~~(\$6,600,000)~~ \$1,336,000 for the administration and collection of a motor vehicle excise tax on behalf of a regional transit authority, as authorized under RCW 82.44.135. The amount in this subsection must be deducted before distributing any revenues to a regional transit authority.

(b) \$100,000 of the motor vehicle account—state appropriation is provided solely for the department to work with the regional transit authority imposing a motor vehicle excise tax pursuant to RCW 81.104.160 and transportation benefit districts imposing vehicle fees pursuant to RCW 82.80.140, and other relevant parties, to determine cost recovery options for the administration and collection of the taxes and fees. The options must include:

(i) Full cost recovery for the direct and indirect expenses by the department of licensing, subagents, and counties;

(ii) Marginal cost recovery for the direct and indirect expenses by the department of licensing, subagents, and counties;

(iii) The estimated costs if the regional transit authority or transportation benefit districts had to contract out the entire collection and administrative activity with a nongovernmental entity.

(4) \$12,000 of the motorcycle safety education account—state appropriation, \$2,000 of the limited fish and wildlife account—state appropriation, \$728,000 of the highway safety account—state appropriation, \$238,000 of the motor vehicle account—state appropriation, \$10,000 of the ignition interlock device revolving account—state appropriation, and \$10,000 of the department of licensing services account—state appropriation are provided solely for the department to redesign and improve its online services and website, and are subject to the conditions, limitations, and review requirements of section 701 ~~((of this act)),~~ chapter 333, Laws of 2021.

(5) \$28,636,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The department shall report on a quarterly basis on the use of these funds, associated workload, and information with comparative information with recent comparable months in prior years. The report must include detailed statewide and by licensing service office information on staffing levels, average monthly wait times, the number of enhanced drivers' licenses and enhanced identicards issued/renewed, and the number of primary drivers' licenses and identicards issued/renewed. Within the amounts provided in this subsection, the department shall implement efficiency measures to reduce the time for licensing transactions and wait times including, but not limited to, the installation of additional cameras at licensing service offices that reduce bottlenecks and align with the "keep your customer" initiative.

(6) \$500,000 of the highway safety account—state appropriation is provided solely for communication and outreach activities necessary to inform the public of federally acceptable identification options including, but not limited to, enhanced drivers' licenses and enhanced identicards. The department shall continue the outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington. To accomplish this work, the department shall contract with an external vendor with demonstrated experience and expertise in outreach and marketing to underrepresented communities in a culturally responsive fashion.

(7) \$523,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 158, Laws of 2021 (DOL issued documents). ~~((If chapter 158, Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.))~~

(8) ~~(\$1,373,000)~~ \$929,000 of the ~~((driver licensing technology support))~~ highway safety account—state appropriation is provided solely for the implementation of chapter 240, Laws of 2021 (suspension of licenses for traffic infractions). ~~((If chapter 240, Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.))~~

(9) \$23,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 10 ~~((Engrossed Substitute House Bill No. 1078)),~~ Laws of 2021 (restoring voter eligibility after felony conviction).

(10) \$3,074,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for providing reimbursements in accordance with the department's abandoned recreational vehicle disposal reimbursement program. It is the intent of the legislature that the department prioritize this funding for allowable and approved reimbursements and not to build a reserve of funds within the account. During the 2021-2023 fiscal biennium, the department must report any amounts recovered to the office of financial management and appropriate committees of the legislature on a quarterly basis.

(11)(a) \$54,000 of the motor vehicle account—state appropriation is provided solely for the issuance of nonemergency medical transportation vehicle decals to implement the high occupancy vehicle lane access pilot program established in section 216 ~~((of this act)),~~ chapter 333, Laws of 2021. A for hire nonemergency medical transportation vehicle is a vehicle that is a "for hire vehicle" under RCW 46.04.190 that provides nonemergency medical transportation, including for life-sustaining transportation purposes, to meet the medical transportation needs of individuals traveling to medical practices and clinics, cancer centers, dialysis facilities, hospitals, and other care providers.

(b) As part of this pilot program, the owner of a for hire nonemergency medical transportation vehicle may apply to the department, county auditor or other agent, or subagent appointed by the director, for a high occupancy vehicle exempt decal for a for hire nonemergency medical transportation vehicle. The high occupancy vehicle exempt decal allows the for hire nonemergency medical transportation vehicle to use a high occupancy vehicle lane as specified in RCW 46.61.165 and 47.52.025 during the 2021-2023 fiscal biennium.

(c) For the exemption in this subsection to apply to a for hire nonemergency medical transportation vehicle, the decal:

(i) Must be displayed on the vehicle so that it is clearly visible from outside the vehicle;

(ii) Must identify that the vehicle is exempt from the high occupancy vehicle requirements; and

(iii) Must be visible from the rear of the vehicle.

(d) The owner of a for hire nonemergency medical transportation vehicle or the owner's representative must apply for a high occupancy vehicle exempt decal on a form provided or approved by the department. The application must include:

(i) The name and address of the person who is the owner of the vehicle;

(ii) A full description of the vehicle, including its make, model, year, and the vehicle identification number;

(iii) The purpose for which the vehicle is principally used;

(iv) An attestation signed by the vehicle's owner or the owner's representative that the vehicle's owner has a minimum of one contract or service agreement to provide for hire transportation services for medical purposes with one or more of the following entities: A health insurance company; a hospital, clinic, dialysis center, or other medical institution; a day care center, retirement home, or group home; a federal, state, or local agency or jurisdiction; or a broker who negotiates these services on behalf of one or more of these entities; and

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(v) Other information as required by the department upon application.

(e) The department, county auditor or other agent, or subagent appointed by the director shall collect the fee required under (f) of this subsection when issuing a high occupancy vehicle exempt decal.

(f) The department, county auditor or other agent, or subagent, is required to collect a \$5 fee when issuing a decal under this subsection, in addition to any other fees and taxes required by law.

(g) A high occupancy vehicle exempt decal expires June 30, 2023, and must be marked to indicate its expiration date. The decal may be renewed if the pilot program is continued past the date of a decal's expiration. The status as an exempt vehicle continues until the high occupancy vehicle exempt decal is suspended or revoked for misuse, the vehicle is no longer used as a for hire nonemergency medical transportation vehicle, or the pilot program established in section 216 (~~of this act~~), chapter 333, Laws of 2021 is terminated.

(h) The department may adopt rules to implement this subsection.

(12) \$434,000 of the highway safety account—state appropriation is provided solely for the implementation of the Thurston county superior court order in *Pierce et al. v. Department of Licensing*.

(13) The department shall consult with the department of corrections and state board for community and technical colleges to develop a pilot program that allows incarcerated individuals who are not prohibited by state or federal law from receiving a commercial driver's license upon release to participate in a prerelease commercial driver training program. The department must submit a report to the legislature by June 30, 2023, detailing the status of the program.

(14) \$100,000 of the highway safety account—state appropriation is provided solely for the department to lead a study on the potential impacts that current licensing requirements, including required training hours, and testing requirements may have on the shortage of commercial drivers, and whether adjustments to these requirements may be warranted to help alleviate the shortage. In completing the study, the department must consult with the workforce training board, state board for community and technical colleges, federal motor carrier safety officials, organizations representing veterans, organizations representing commercial drivers, and organizations representing businesses or government entities that rely on commercial drivers. The report must be submitted to the governor and the transportation committees of the legislature by December 1, 2022.

(15) \$965,000 of the motor vehicle account—state appropriation is provided solely for the increased costs associated with delays in the production of license plates, and to provide a report detailing license plate inventory practices and whether those practices should be changed to guard against potential future plate production delays. The report must be submitted to the governor and the transportation committees of the legislature by December 1, 2022.

(16) \$28,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 5750), Laws of 2022 (state leadership board) and making improvements to the annual information submitted by special license plate sponsoring organizations pursuant to RCW 46.18.120(2). The improvements must include, but are not limited to, the following: An annual budget for the sponsoring organization's activities in the preceding year; information regarding private and other governmental support for the activities of the sponsoring organization; and a description of the number of people served or services delivered, as appropriate, by

the sponsoring organization in the preceding year. If chapter . . . (Substitute Senate Bill No. 5750), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(17) \$268,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Senate Bill No. 5054), Laws of 2022 (impaired driving). If chapter . . . (Engrossed Senate Bill No. 5054), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(18) \$113,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5631), Laws of 2022 (human trafficking disqualification for a commercial driver's license). If chapter . . . (Substitute Senate Bill No. 5631), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(19) \$18,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5741), Laws of 2022 (Patches pal special license plates). If chapter . . . (Substitute Senate Bill No. 5741), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(20) \$350,000 of the highway safety account—state appropriation is provided solely to expand driver's license assistance and support services in King county with an existing provider that is already providing these services to low-income immigrant and refugee women. By March 1, 2023, the contracted provider must submit information on the annual budget in the preceding year; information regarding private and other governmental support for the activities of the provider; and a description of the number of people served, services delivered, and outcome measures.

(21) \$6,139,000 of the highway safety account—state appropriation, \$1,849,000 of the motor vehicle account—state appropriation, \$203,000 of the department of licensing services account—state appropriation, and \$105,000 of the department of licensing technology improvement and data management account—state appropriation are provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies and agency operations and customer service levels. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department shall submit a report to the governor and the legislative transportation committees detailing the specific expenditures made from the contingency funding provided in this subsection.

(22) \$28,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Second Substitute House Bill No. 1181), Laws of 2022 (veterans and military suicide). If chapter . . . (Engrossed Second Substitute House Bill No. 1181), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(23) \$83,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1984), Laws of 2022 (vehicle registration certificate addresses). If chapter . . . (Substitute House Bill No. 1984), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(24) \$57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (House Bill No. 2074), Laws of 2022 (off-road vehicles fees). If chapter . . . (House Bill No. 2074), Laws of 2022 is not enacted by June

30, 2022, the amount provided in this subsection lapses.

(25) \$18,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 1530), Laws of 2022 (wine special license plate). If chapter . . . (Engrossed Substitute House Bill No. 1530), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(26) \$316,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1790), Laws of 2022 (temporary license plates). If chapter . . . (Substitute House Bill No. 1790), Laws of 2022 is not enacted by June 30, 2022, the amount provided in this subsection lapses.

(27) \$251,000 of the highway safety account—state appropriation is provided solely for the department to: (a) Provide each driver's license, identicard, instruction permit, intermediate license, and commercial driver's license applicant with written materials regarding the contents and requirements of RCW 46.61.212, the slow down and move over law, at the completion of the applicant's licensing transaction; (b) place signage in each of the licensing service offices that provide background on the written materials that the applicant will receive regarding the slow down and move over law; and (c) initiate the development of an appropriate training module relating to the requirements of RCW 46.61.212, for inclusion in all new driver training curricula.

Sec. 209. 2021 c 333 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TOLL OPERATIONS AND MAINTENANCE—
PROGRAM B**

State Route Number 520 Corridor Account—State Appropriation	Account—State ((\$53,689,000) <u>\$58,356,000</u>)
State Route Number 520 Civil Penalties Account—State Appropriation	Account—State ((\$4,122,000) <u>\$4,163,000</u>)
Tacoma Narrows Toll Bridge Account—State Appropriation	Account—State ((\$29,809,000) <u>\$31,102,000</u>)
Alaskan Way Viaduct Replacement Project Account—State Appropriation	Account—State ((\$20,840,000) <u>\$21,806,000</u>)
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	Account—State ((\$23,910,000) <u>\$24,647,000</u>)
TOTAL APPROPRIATION	Account—State ((\$132,370,000) <u>\$140,074,000</u>)

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

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$12,484,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this subsection, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) As long as the facility is tolled, the department must provide annual reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane (i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(3)(a) ~~((~~\$708,000~~) \$1,189,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation, ((~~\$1,651,000~~) \$2,783,000 of the state route number 520 corridor account—state appropriation, ((~~\$709,000~~) \$1,218,000 of the Tacoma Narrows toll bridge account—state appropriation, and ((~~\$932,000~~) \$1,568,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the reappropriation of unspent funds on the new tolling back office system from the 2019-2021 biennium(, and are subject to the conditions, limitations, and review provided in section 701 of this act.~~

~~(b) The department shall continue to work with the office of financial management, office of the chief information officer, and the transportation committees of the legislature on the project management plan that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation).~~

~~((c))~~ (b) The office of financial management shall place the amounts provided in this subsection in unallotted status until the department submits a detailed progress report on the progress of the new tolling back office system. The director of the office of financial management or their designee shall consult with the chairs and ranking members of the transportation committees of the legislature prior to making a decision to allot these funds.

(4) ~~((Out of funding appropriated in this section,)) \$121,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation, \$288,000 of the state route number 520 corridor account—state appropriation, \$128,000 of the Tacoma Narrows toll bridge account—state appropriation, and \$163,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the department ((shall)) to contract with the state auditor's office for a performance audit of the department's project to replace its electronic toll collection system. The audit should include an~~

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evaluation of the department's project planning, vendor procurement, contract management and project oversight. The final report is to be issued by December 31, 2022. The state auditor will transmit copies of the report to the jurisdictional committees of the legislature and the department.

(5) The department shall make detailed annual reports to the transportation committees of the legislature and the public on the department's web site on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants, and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs;

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement;

(d) The toll adjudication process, including a summary table for each toll facility that includes:

- (i) The number of notices of civil penalty issued;
 - (ii) The number of recipients who pay before the notice becomes a penalty;
 - (iii) The number of recipients who request a hearing and the number who do not respond;
 - (iv) Workload costs related to hearings;
 - (v) The cost and effectiveness of debt collection activities; and
 - (vi) Revenues generated from notices of civil penalty; and
- (e) A summary of toll revenue by facility on all operating toll facilities and express toll lane systems, and an itemized depiction of the use of that revenue.

(6) During the 2021-2023 fiscal biennium, the department plans to issue a request for proposals as the first stage of a competitive procurement process that will replace the toll equipment and select a new tolling operator for the Tacoma Narrows Bridge. The request for proposals and subsequent competitive procurement must incorporate elements that prioritize the overall goal of lowering costs per transaction for the facility, such as incentives for innovative approaches which result in lower transactional costs, requests for efficiencies on the part of the bidder that lower operational costs, and incorporation of technologies such as self-serve credit card machines or other point-of-payment technologies that lower costs or improve operational efficiencies.

(7) \$19,908,000 of the Alaskan Way viaduct replacement project account—state appropriation is provided solely for the new state route number 99 tunnel toll facility's expected share of collecting toll revenues, operating customer services, and maintaining toll collection systems. The legislature expects to see appropriate reductions to the other toll facility accounts once tolling on the new state route number 99 tunnel toll facility stabilizes and any previously incurred costs for start-up of the new facility are charged back to the Alaskan Way viaduct replacement project account. The office of financial management shall closely monitor the application of the cost allocation model and ensure that the new state route number 99 tunnel toll facility is adequately sharing costs and the other toll facility accounts are not being overspent or subsidizing the new state route number 99 tunnel toll facility.

(8) The department shall submit a plan to the legislature for the Interstate 405 and state route number 167 express toll lanes account detailing how bond proceeds can cover the proposed construction plan on the Interstate 405 and state route number 167 express toll lane corridor outlined on LEAP Transportation Document 2021-1 as developed April 23, 2021, by January 1, 2022.

(9) (~~(\$1,516,000)~~) \$4,554,000 of the state route number 520 corridor account—state appropriation (~~(is)~~) and \$580,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for the increased costs of insurance for the state route number 520 floating bridge and the Tacoma Narrows bridge, respectively. The department shall conduct an evaluation of the short and long-term costs and benefits including risk mitigation of self-insurance as compared to the commercial insurance option for the state route number 520 floating bridge, as allowed under the terms of the state route number 520 master bond resolution. By December 15, 2021, the department shall report to the legislature on the results of this evaluation.

(10) As part of the department's 2023-2025 biennial budget request, the department shall update the cost allocation recommendations that assign appropriate costs to each of the toll funds for services provided by relevant Washington state department of transportation programs, the Washington state patrol, and the transportation commission. The recommendations shall be based on updated traffic and toll transaction patterns and other relevant factors.

(11) All amounts provided for operations and maintenance expenses on the SR 520 facility from the state route number 520 corridor account during the 2021-2023 fiscal biennium in this act, up to a maximum of \$59,567,000, are derived from the receipt of federal American rescue plan act of 2021 funds and not toll revenues.

(12) \$14,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation, \$32,000 of the state route number 520 corridor account—state appropriation, \$22,000 of the Tacoma Narrows toll bridge account—state appropriation, and \$27,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely to implement chapter . . . (Substitute House Bill No. 1790), Laws of 2022 (temporary license plates). If chapter . . . (Substitute House Bill No. 1790), Laws of 2022 is not enacted by June 30, 2022, the amounts provided in this subsection lapse.

Sec. 210. 2021 c 333 s 210 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
INFORMATION TECHNOLOGY—PROGRAM C**

Transportation Partnership Account—State Appropriation	((\$1,377,000))
	<u>\$1,461,000</u>
Motor Vehicle Account—State Appropriation(\$97,026,000)	<u>\$101,010,000</u>
Puget Sound Ferry Operations Account—State Appropriation	((\$263,000))
	<u>\$307,000</u>
Multimodal Transportation Account—State Appropriation	((\$6,986,000))
	<u>\$7,013,000</u>
Transportation 2003 Account (Nickel Account)—State Appropriation	((\$1,393,000))
	<u>\$1,461,000</u>
TOTAL APPROPRIATION	((\$107,045,000))
	<u>\$111,252,000</u>

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

(1) \$4,273,000 of the multimodal transportation account—state appropriation and \$4,273,000 of the motor vehicle account—state appropriation are provided solely for the department's cost related to the one Washington project, and is subject to the conditions, limitations, and review requirements of section 701 ((of this act)), chapter 333, Laws of 2021.

(2) \$2,404,000 of the motor vehicle account—state appropriation and \$119,000 of the multimodal transportation account—state appropriation are provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

Sec. 211. 2021 c 333 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
FACILITY MAINTENANCE, OPERATIONS, AND
CONSTRUCTION—PROGRAM D—OPERATING**

Motor Vehicle Account—State Appropriation	(\$35,574,000)
	\$36,843,000
State Route Number 520 Corridor Account—State Appropriation	\$34,000
TOTAL APPROPRIATION	(\$35,608,000)
	\$36,877,000

The appropriations in this section are subject to the following conditions and limitations: \$780,000 of the motor vehicle account—state appropriation is provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

NEW SECTION. Sec. 212. A new section is added to 2021 c 333 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRANSPORTATION EQUIPMENT FUND—PROGRAM E**

Motor Vehicle Account—State Appropriation	\$12,396,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) \$10,396,000 of the motor vehicle account—state appropriation is provided solely for the department's costs related to replacing obsolete transportation equipment. The appropriations to the department in this section must be expended to maximize the amount of obsolete equipment replaced in the 2021-2023 biennium.

(2) \$2,000,000 of the motor vehicle account—state appropriation is provided solely for the department's costs related to replacing snow removal equipment. The appropriations to the department in this section must be expended to maximize the amount of snow removal equipment replaced in the 2021-2023 biennium.

Sec. 213. 2021 c 333 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation	(\$8,055,000)
	\$8,127,000

Aeronautics Account—Federal Appropriation	\$3,916,000
Aeronautics Account—Private/Local Appropriation	\$60,000
Multimodal Transportation Account—State Appropriation	\$150,000
TOTAL APPROPRIATION	(\$12,031,000)
	\$12,253,000

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

(1) \$2,888,000 of the aeronautics account—state appropriation is provided solely for the airport aid grant program, which provides competitive grants to public use airports for pavement, safety, maintenance, planning, and security.

(2) \$257,000 of the aeronautics account—state appropriation is provided solely for supporting the commercial aviation coordinating commission, pursuant to section 718 ((of this act)), chapter 333, Laws of 2021.

(3) \$280,000 of the aeronautics account—state appropriation is provided solely for the implementation of chapter 131, Laws of 2021 (unpiloted aircraft system state coordinator). If chapter 131, Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(4)(a) \$150,000 of the multimodal transportation account—state appropriation is provided solely for the aviation program to continue the community engagement associated with the work of the commercial aviation coordinating commission to increase aviation capacity and provide a single preferred location for a new primary commercial aviation facility by June 15, 2023. The work of the commission shall include, but is not limited to, recommendations to the legislature on future Washington state long-range commercial aviation facility needs including possible additional aviation facilities or expansion of current aviation facilities.

(b) Community engagement efforts may include:

(i) Raising awareness among aviation stakeholders and the public on the complex issues that must be addressed by the commission;

(ii) Obtaining input from a representative cross section of the public on the construction of a new airport and the expansion of existing airports to meet future aviation demand;

(iii) Keeping people informed as the commission's work progresses, including diverse communities that are often underrepresented in processes to inform decision making;

(iv) Providing opportunities for members of the public to provide direct input to the commission during the pandemic that limits opportunities for direct social contact;

(v) Using surveys, open houses, focus groups, translation services, informational handouts, advertisements, social media, and other appropriate means of communicating with the public; and

(vi) Providing a focus on the demographics or people in the geographical areas most impacted by expanding aviation capacity or developing a new aviation facility.

(c) The department may use a communications consultant or community-based organizations to assist with community engagement efforts in (b) of this subsection.

Sec. 214. 2021 c 333 s 213 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
PROGRAM DELIVERY MANAGEMENT AND
SUPPORT—PROGRAM H**

Motor Vehicle Account—State Appropriation	(\$59,138,000)
	\$58,254,000
Motor Vehicle Account—Federal Appropriation	\$500,000
Multimodal Transportation Account—State Appropriation	\$758,000
TOTAL APPROPRIATION	(\$60,396,000)

\$59,512,000

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

(1) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (1), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

(2) With respect to Parcel 12 of the real property conveyed by the state of Washington to the city of Mercer Island under that certain quitclaim deed, dated April 19, 2000, recorded in King county under recording no. 20000425001234, the requirement in the deed that the property be used for road/street purposes only will be deemed satisfied by the department of transportation so long as commuter parking, as part of the vertical development of the property, is one of the significant uses of the property.

~~(3) ((\$1,600,000 of the motor vehicle account—state appropriation is provided solely for real estate services activities. Consistent with RCW 47.12.120 and during the 2021-2023 fiscal biennium, when initiating, extending, or renewing any rent or lease agreements with a regional transit authority, consideration of value must be equivalent to one hundred percent of economic or market rent.~~

~~(4))~~ The department shall report to the transportation committees of the legislature by December 1, 2021, on the status of its efforts to consolidate franchises for broadband facilities across the state, including plans for increasing the number of consolidated franchises in the future.

~~((5))~~ (4) During the 2021-2023 biennium, if the department takes possession of the property situated in the city of Edmonds for which a purchase agreement was executed between Unocal and the department in 2005 (Tax Parcel Number 262703-2-003-0009), and if the department confirms that the property is still no longer needed for transportation purposes, the department shall provide the city of Edmonds with the right of first purchase at fair market value in accordance with RCW 47.12.063(3) for the city's intended use of the property to rehabilitate near-shore habitat for salmon and related species.

~~((6) \$300,000)~~ (5) \$535,000 of the motor vehicle account—

state appropriation is provided solely for the implementation of chapter 217, Laws of 2021 (noxious weeds). ~~((If chapter 217, Laws of 2021 (noxious weeds) is not enacted by June 30, 2021, the amount provided in this subsection lapses.~~

~~(7) \$500,000)~~ (6) \$1,026,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of chapter 314, Laws of 2021 (environmental justice task force). ~~((If chapter 314, Laws of 2021 (environmental justice task force) is not enacted by June 30, 2021, the amount provided in this subsection lapses.))~~

(7) \$2,399,000 of the motor vehicle account—state appropriation is provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

(8) The department shall offer to sell the northern parcel of site 14 on the Puget Sound Gateway Program SR 509 Completion Project Surplus Property list, located immediately south of S. 216th Street and adjacent to the Barnes Creek Nature Trail in Des Moines, to Seattle Goodwill Industries, a nonprofit organization with tax ID 91-05688708, located at 700 Dearborn Place S., Seattle, WA 98144, in accordance with RCW 47.12.063 at fair market value because the legislature finds it in the public interest to do so for the public benefit that will result from Goodwill's redevelopment of the property it owns at Rainier Ave. South and South Dearborn Street to increase the supply of affordable housing.

Sec. 215. 2021 c 333 s 214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State Appropriation	(\$675,000) <u>\$685,000</u>
Electric Vehicle Account—State Appropriation	(\$9,900,000) <u>\$11,900,000</u>
Multimodal Transportation Account—State Appropriation	<u>\$3,290,000</u>
TOTAL APPROPRIATION	(\$13,865,000) <u>\$15,875,000</u>

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

(1) The public-private partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(2) ~~((8,900,000))~~ \$10,900,000 of the electric vehicle account—state appropriation is provided solely for the clean alternative fuel vehicle charging and refueling infrastructure program in chapter 287, Laws of 2019 (advancing green transportation adoption).

(3) \$2,400,000 of the multimodal transportation account—state appropriation is provided solely for the pilot program established under chapter 287, Laws of 2019 (advancing green transportation adoption) to provide clean alternative fuel vehicle use opportunities to underserved communities and low to moderate income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards. Consistent with the geographical diversity element described in RCW 47.04.355(4), the legislature strongly encourages the department to consider

implementing the pilot in both urban and rural communities if possible, to obtain valuable information on the needs of underserved communities located in different geographical locations in Washington.

(4) \$1,000,000 of the electric vehicle account—state appropriation and \$500,000 of the multimodal transportation account—state appropriation are provided solely for a colocated DC fast charging and hydrogen fueling station near the Wenatchee or East Wenatchee area near a state route or near or on a publicly owned facility to service passenger, light-duty and heavy-duty vehicles. The hydrogen fueling station must include a DC fast charging station colocated at the hydrogen fueling station site. Funds may be used for one or more fuel cell electric vehicles that would utilize the fueling stations. The department must contract with a public utility district that produces hydrogen in the area to own and/or manage and provide technical assistance for the design, planning, permitting, construction, maintenance and operation of the hydrogen fueling station. The department and public utility district are encouraged to collaborate with and seek contributions from additional public and private partners for the fueling station.

(5) \$140,000 of the multimodal transportation account—state appropriation is provided solely for the purpose of conducting an assessment of options for the development, including potential features and costs, for a publicly available mapping and forecasting tool that provides locations and essential information of charging and refueling infrastructure to support forecasted levels of electric vehicle adoption, travel, and usage across Washington state as described in chapter 300, Laws of 2021 (preparedness for a zero emissions transportation future).

(6) \$250,000 of the multimodal transportation account—state appropriation is provided solely to fund the design of an electric charging mega-site project at Mount Vernon library commons.

Sec. 216. 2021 c 333 s 215 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State	Appropriation
	(\$496,925,000)
	<u>\$505,015,000</u>
Motor Vehicle Account—Federal Appropriation	\$7,000,000
<u>Motor Vehicle Account—Local Appropriation</u>	<u>\$17,000</u>
State Route Number 520 Corridor Account—State	Appropriation
	(\$4,082,000)
	<u>\$4,657,000</u>
Tacoma Narrows Toll Bridge Account—State	Appropriation
	(\$1,479,000)
	<u>\$1,560,000</u>
Alaskan Way Viaduct Replacement Project Account—State	Appropriation
	(\$8,157,000)
	<u>\$8,611,000</u>
Interstate 405 and State Route Number 167 Express Toll Lanes	Account—State Appropriation
	(\$2,545,000)
	<u>\$2,594,000</u>
<u>Waste Tire Removal Account—State</u>	<u>Appropriation</u>
	<u>\$5,000,000</u>
TOTAL APPROPRIATION	(\$520,188,000)
	<u>\$534,454,000</u>

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

(1) \$7,529,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of stormwater runoff from state highways. Plan and reporting requirements as required in chapter 435, Laws of 2019 (Local Stormwater Charges) shall be consistent with the January

2012 findings of the Joint Transportation Committee Report for Effective Cost Recovery Structure for WSDOT, Jurisdictions, and Efficiencies in Stormwater Management.

(2) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for a contingency pool for snow and ice removal. The department must notify the office of financial management and the transportation committees of the legislature when they have spent the base budget for snow and ice removal and will begin using the contingency pool funding.

(3) \$1,025,000 of the motor vehicle account—state appropriation is provided solely for the department to implement safety improvements and debris clean up on department-owned rights-of-way in the city of Seattle at levels above that being implemented as of January 1, 2019, to be administered in conjunction with subsection (9) of this section. The department must maintain a crew dedicated solely to collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public, department employees, or people encamped upon department-owned rights-of-way. The department may request assistance from the Washington state patrol as necessary in order for both agencies to provide enhanced safety-related activities regarding the emergency hazards along state highway rights-of-way in the Seattle area.

(4) \$1,015,000 of the motor vehicle account—state appropriation is provided solely for a partnership program between the department and the city of Tacoma, to be administered in conjunction with subsection (9) of this section. The program shall address the safety and public health problems created by homeless encampments on the department's property along state highways within the city limits. \$570,000 is for dedicated department maintenance staff and associated clean-up costs. The department and the city of Tacoma shall enter into a reimbursable agreement to cover up to \$445,000 of the city's expenses for clean-up crews and landfill costs.

(5) The department must continue a pilot program for the 2021-2023 fiscal biennium at the four highest demand safety rest areas to create and maintain an online calendar for volunteer groups to check availability of weekends for the free coffee program. The calendar must be updated at least weekly and show dates and times that are, or are not, available to participate in the free coffee program. The department must submit a report to the legislature on the ongoing pilot by December 1, 2022, outlining the costs and benefits of the online calendar pilot, and including surveys from the volunteer groups and agency staff to determine its effectiveness.

(6) \$686,000 of the motor vehicle account—state appropriation is provided solely for reimbursing the Oregon department of transportation (ODOT) for the department's share of increased maintenance costs of six highway bridges over the Columbia River that are maintained by ODOT.

(7) \$8,290,000 of the motor vehicle account—state appropriation is provided solely for increased costs of highway maintenance materials.

(8) \$5,816,000 of the motor vehicle account—state appropriation is provided solely for a contingency pool for repairing damages to highways caused by known and unknown third parties. The department must notify the office of financial management and the transportation committees of the legislature when they have spent the base budget for third-party damage repair and will begin using the contingency pool funding.

(9)(a) \$3,000,000 of the motor vehicle account—state appropriation ~~((is))~~ and \$5,000,000 of the waste tire removal account—state appropriation are provided solely for the department to address the risks to safety and public health associated with homeless encampments on department owned

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rights-of-way. The department must coordinate and work with local government officials and social service organizations who provide services and direct people to housing alternatives that are not in highway rights-of-way to help prevent future encampments from forming on highway rights-of-way, and may reimburse the organizations doing this outreach assistance who transition people into treatment or housing (~~that is not on the rights-of-way~~) or for debris clean up on highway rights-of-way. (~~The department may~~) A minimum of \$2,000,000 of this appropriation must be used to provide more frequent removal of litter on the highway rights-of-way that is generated by unsheltered people and may be used to hire crews specializing in collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public and department employees. The department may use these funds to either reimburse local law enforcement costs or the Washington state patrol if they are (~~participating as part of a state or local government agreement to provide~~) providing enhanced safety (~~related activities along state~~) to department staff during debris cleanup or during efforts to prevent future encampments from forming on highway rights-of-way.

(b) Beginning (~~October 1, 2021~~) November 1, 2022, and semiannually thereafter, the Washington state patrol and the department of transportation must jointly submit a report to the governor and the house and senate transportation committees of the legislature on the status of these efforts, including:

(i) A detailed breakout of the size, location, risk level categorization, and number of encampments on or near department-owned rights-of-way, compared to the levels during the quarter being reported;

(ii) A summary of the activities in that quarter related to addressing these encampments, including information on arrangements with local governments or other entities related to these activities;

(iii) A description of the planned activities in the ensuing quarter to further address the emergency hazards and risks along state highway rights-of-way; and

(iv) Recommendations for executive branch or legislative action to achieve the desired outcome of reduced emergency hazards and risks along state highway rights-of-way.

(10)(a) \$2,000,000 of the motor vehicle account—state appropriation is provided solely for the department to contract with the city of Fife to address the risks to safety and public health associated with homeless encampments on department-owned rights-of-way along the SR 167/SR 509 Puget Sound Gateway project corridor in and adjacent to the city limits.

(b) The city must coordinate and work with the department and local governments and social service organizations who provide services and direct people to housing alternatives that are not in highway rights-of-way to help prevent future encampments from forming on highway rights-of-way. State funds may be used to reimburse the organizations doing this outreach assistance who transition people into treatment or housing that is not on the rights-of-way or for debris clean up on highway rights-of-way.

(c) The department may hire crews specializing in collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public and department employees.

(d) Funds may also be used to reimburse local law enforcement costs or the Washington state patrol if they are participating as part of a state or local government agreement to provide enhanced safety related activities along state highway rights-of-way.

(e) It is the intent of the legislature that the city and collaborating partners should place particular emphasis on utilizing available funds for addressing large scale and multiple

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homeless encampments that impact public safety and health. Funding for initiatives associated with such encampments may include targeted assistance to local governments and social service organizations, directing moneys toward not only initial efforts to clear encampments, clean up debris and restore sightlines, but to ongoing work, monitoring, and maintenance of efforts to place individuals in housing, treatment and services, and to better ensure individuals experiencing homelessness receive needed assistance while sites remain safe and secure for the traveling public.

(11) \$12,096,000 of the motor vehicle account—state appropriation is provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

(12) \$5,400,000 of the motor vehicle account—state appropriation is provided solely for replacement of traffic signs and to increase the visibility of road pavement markings. Investments must replace traffic signs that do not meet the department's standards or that are faded, lacking in reflectivity, cracked, illegible, or damaged. Investments must also increase the visibility of road pavement markings during periods of low light conditions and during precipitation with pavement marking products that contain all-weather optical reflectivity capability. The request for proposals and subsequent competitive procurement for the signs shall be performed following state specifications and standards.

(13) \$17,000 of the motor vehicle account—local appropriation is provided solely to update existing signs along Interstate 5 in the vicinity of Seattle center. The department must install new Seattle center logos with a redesigned logo that recognizes climate pledge arena, but is not responsible for design or fabrication of the logo or new sign.

(14) \$100,000 of the motor vehicle account—state appropriation is provided solely for the department to install fencing to delineate between the privately leased property owned by the department and the public right-of-way property maintained by the city of Seattle. The parameters of the adjacent properties located under the Interstate 5 corridor, south of milepost 165, are south Jackson street and south King street going north and south, and 8th avenue south and 9th avenue south going west to east in the international district.

(15)(a) \$2,500,000 of the motor vehicle account—state appropriation is provided solely for:

(i) Additional resources for operations, maintenance, facility replacements, security, and upgrades to safety rest areas to ensure that safety rest areas owned and operated by the department are open for use except for seasonal closures or cleaning, maintenance, and repair; and

(ii) Reconfiguration of maintenance operations pursuant to chapter . . . (Substitute House Bill No. 1655), Laws of 2022 (safety rest areas).

(b) The department may use the funds for additional labor, services, materials, or equipment needed to allow commercial vehicle parking stalls to remain open when rest areas might otherwise be closed.

(c) It is the intent of the legislature that these funds are additional resources for the department and not meant to supplant underlying resources for the maintenance and operations of safety

rest areas.

(d) The department must make a report to the transportation committees of the legislature regarding the additional operations and maintenance activities made at safety rest areas to ensure that rest areas stayed open by January 15, 2023. The report must include the status per safety rest area of openings and closures that were impacted by the additional activities; the additional activities, including security efforts, that were performed at the rest areas; and an update on the status and a review of the safety rest area strategic plan.

(16)(a) \$50,000 of the motor vehicle account—state appropriation is provided solely for the department to install and inspect monthly human trafficking informational posters in every rest room in every safety rest area owned and operated by the department.

(b) In developing the informational posters, the department shall consult with human trafficking victim advocates to determine content.

(c) The posters must:

(i) Be printed in a variety of languages;

(ii) Include contact information for seeking help, which may include toll-free telephone numbers a person may call for assistance, including the number for the national human trafficking resource center and the number for the Washington state office of crime victims advocacy; and

(iii) Be made of durable material and permanently affixed.

(d) The department shall install the informational posters in every restroom at every safety rest area owned and operated by the department by December 31, 2022.

(e) Beginning January 1, 2023, or one month after installation of informational posters, whichever is sooner, the department shall inspect the informational posters as part of its monthly maintenance activities to ensure that the posters are in fair condition and remain legible.

(f) The department must make a report to the transportation committees of the legislature regarding the installation of informational posters at safety rest areas by January 15, 2023. The report must include the number of informational posters installed, the location of the poster installations, and the completion date of the poster installations.

(17) During the 2021-2023 fiscal biennium, the department shall conduct a pilot program authorizing commercial motor vehicles, as defined in RCW 46.25.010, that are used in commerce solely to transport property to park in areas designated by the department as chain up and chain off areas along United States route number 2 and Interstate 90 between May 1st and November 1st of each calendar year of the biennium. Under the pilot program, parking is permitted for up to an hour beyond federally mandated rest periods when signage posted by the department authorizes the parking of these commercial motor vehicles. Beginning January 1, 2023, the department shall post and maintain signage authorizing the parking of these commercial motor vehicles in chain up and chain off areas that it determines: (a) Have sufficient space to accommodate commercial motor vehicles parking for an extended period of time; and (b) where other safety concerns have been addressed. The department shall notify the Washington state patrol and the transportation committees of the legislature when it posts signage authorizing commercial motor vehicle parking in a chain up or chain off area.

Sec. 217. 2021 c 333 s 216 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRAFFIC OPERATIONS—PROGRAM Q—OPERATING**
Motor Vehicle Account—State Appropriation ~~(\$74,406,000)~~
\$73,760,000
Motor Vehicle Account—Federal Appropriation \$2,050,000

Motor Vehicle Account—Private/Local	Appropriation	
	(\$250,000)	
	\$295,000	
State Route Number 520 Corridor	Account—State	
Appropriation	\$225,000	
Tacoma Narrows Toll Bridge	Account—State	
Appropriation	\$40,000	
Alaskan Way Viaduct Replacement Project	Account—State	
Appropriation	\$1,112,000	
Interstate 405 and State Route Number 167 Express Toll Lanes	Account—State	
Appropriation	\$20,000	
Agency Financial Transaction	Account—State	
Appropriation	\$100,000	
TOTAL APPROPRIATION	(\$78,103,000)	
	\$77,602,000	

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

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects completed in the prior fiscal biennium.

(2)(a) During the 2021-2023 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (i) Auto transportation company vehicles regulated under chapter 81.68 RCW; (ii) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (iii) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (iv) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to organ transport vehicles transporting a time urgent organ for an organ procurement organization as defined in RCW 68.64.010. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, organ transport vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(d) The department shall expand the high occupancy vehicle

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lane access pilot program to private, for hire vehicles regulated under chapter 81.72 RCW that have been specially manufactured, designed, or modified for the transportation of a person who has a mobility disability and uses a wheelchair or other assistive device. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, wheelchair-accessible taxicabs that are clearly and identifiably marked as such on all sides of the vehicle are considered public transportation vehicles and must be authorized to use the reserved portion of the highway.

(e) The department shall expand the high occupancy vehicle lane access pilot program to for hire nonemergency medical transportation vehicles, when in use for medical purposes, as described in section 208 ~~((of this act))~~, chapter 333, Laws of 2021. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, nonemergency medical transportation vehicles that meet the requirements identified in section 208 ~~((of this act))~~, chapter 333, Laws of 2021 must be authorized to use the reserved portion of the highway.

(f) Nothing in this subsection (2) is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for express toll lanes.

(3) \$2,574,000 of the motor vehicle account—state appropriation is provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

(4) The appropriations in this section assume implementation of additional cost recovery mechanisms to recoup at least \$100,000 in credit card and other financial transaction costs related to the collection of fees imposed under RCW 46.44.0941 for driver and vehicle fee transactions beginning January 1, 2023. The department may recover transaction fees incurred through credit card transactions. At the direction of the office of financial management, the department shall develop a method of tracking the additional amount of credit card and other financial cost-recovery revenues. In consultation with the office of financial management, the department shall notify the office of the state treasurer of these amounts and the state treasurer must deposit these revenues in the agency financial transaction account created in RCW 46.01.385 on a quarterly basis. The department shall also submit, as part of its 2023-2025 budget submittal, an overview of the credit card cost recovery approach, including fee rates and the amount of revenue expected to be generated in the 2021-2023 and 2023-2025 biennia.

(5) The department shall promote safety messages encouraging drivers to slow down and move over and pay attention when emergency lights are flashing on the side of the road and other suitable safety messages on electronic message boards the department operates across the state. The messages must be promoted multiple times each month through June 30, 2023. The department may coordinate such messaging with any statewide public awareness campaigns being developed by the department of licensing or the Washington state traffic safety commission or both.

Sec. 218. 2021 c 333 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—

TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

Motor Vehicle Account—State Appropriation	(\$37,361,000)
	<u>\$37,365,000</u>
Motor Vehicle Account—Federal Appropriation	\$780,000
Motor Vehicle Account—Private/Local Appropriation	\$500,000
<u>Puget Sound Ferry Operations Account—State Appropriation</u>	<u>\$266,000</u>
Multimodal Transportation Account—State Appropriation	\$5,129,000
State Route Number 520 Corridor Account—State Appropriation	\$186,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$150,000
Alaskan Way Viaduct Replacement Project Account—State Appropriation	\$121,000
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	\$77,000
TOTAL APPROPRIATION	(\$44,304,000)
	<u>\$44,574,000</u>

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

(1) \$4,000,000 of the multimodal transportation account—state appropriation is provided solely for efforts to increase diversity in the transportation construction workforce through: ~~((+))~~ (a) The preapprenticeship support services (PASS) program, which aims to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce. In addition to the services allowed by RCW 47.01.435, the PASS program may provide housing assistance for youth aging out of the foster care and juvenile rehabilitation systems in order to support the participation of these youth in a transportation-related preapprenticeship program; ~~((2))~~ (b) assisting minority and women-owned businesses to perform work in the highway construction industry. This assistance shall include technical assistance, business training, counseling, guidance, prime to subcontractor relationship building, and a capacity building mentorship program. At a minimum, \$1,000,000 of the total appropriation in this subsection shall be directed toward the efforts outlined in (b) of this subsection ~~((2) of this section))~~. The provider(s) chosen to complete the work in this subsection shall be selected through a competitive bidding process. The program shall be administered by the Washington state department of transportation's office of equal opportunity.

(2) \$1,446,000 of the motor vehicle account—state appropriation is provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

(3) \$774,000 of the motor vehicle account—state appropriation and \$266,000 of the Puget Sound ferry operations account—state appropriation are provided solely for the department to hire a workforce development consultant to develop, track, and monitor the progress of community workforce agreements, and to hire staff to assist with the development and implementation of internal diversity, equity, and inclusion efforts and serve as subject matter experts on federal and state civil rights provisions.

The department shall engage with relevant stakeholders, and provide a progress report on the implementation of efforts under this subsection to the transportation committees of the legislature and the governor by December 1, 2022.

(4) For Washington state department of transportation small works roster projects under RCW 39.04.155, the department may only allow firms certified as small business enterprises, under 49 C.F.R. 26.39, to bid on the contract, unless the department determines there would be insufficient bidders for a particular project. The department shall report on the effectiveness of this policy to the transportation committees of the legislature by January 31, 2023.

Sec. 219. 2021 c 333 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRANSPORTATION PLANNING, DATA, AND
RESEARCH—PROGRAM T**

Motor Vehicle Account—State Appropriation	(\$27,057,000) \$26,483,000
Motor Vehicle Account—Federal Appropriation	\$34,865,000
Motor Vehicle Account—Private/Local Appropriation	\$400,000
Multimodal Transportation Account—State Appropriation	(\$919,000) \$1,902,000
Multimodal Transportation Account—Federal Appropriation	\$2,809,000
Multimodal Transportation Account—Private/Local Appropriation	\$100,000
State Route Number 520 Corridor Account—State Appropriation	(\$406,000) \$451,000
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	\$2,879,000
TOTAL APPROPRIATION	(\$69,435,000) \$69,889,000

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

(1) \$4,080,000 of the motor vehicle account—federal appropriation is provided solely for the Forward Drive road usage charge research project overseen by the transportation commission using a portion of the amount of the federal grant award. The purpose of the Forward Drive road usage charge research project is to advance research in key policy areas related to road usage charge including assessing impacts of future mobility shifts on road usage charge revenues, conducting an equity analysis, updating and assessing emerging mileage reporting methods, determining opportunities to reduce cost of collection, conducting small-scale pilot tests, and identifying a long-term, detailed phase-in plan.

(2) \$2,879,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation is provided solely for completion of updating the state route number 167 master plan.

(3) ~~(\$250,000)~~ \$500,000 of the multimodal transportation account—state appropriation is provided solely for the department to partner with the department of commerce in developing vehicle miles traveled targets for the counties in Washington state with (a) a population density of at least 100 people per square mile and a population of at least 200,000; or (b) a population density of at least 75 people per square mile and an annual growth rate of at least 1.75 percent as determined by the office of financial management. Given land use patterns are key factors in travel demand and should be taken into consideration when developing the targets, the department and the department of commerce shall partner with local jurisdictions, regional

transportation planning organizations and other stakeholders to inventory existing laws and rules that promote transportation and land use, identify gaps and make recommendations for changes in laws, rules and agency guidance, and establish a framework for considering underserved and rural communities in the evaluation. The department and the department of commerce shall provide an initial technical report by December 31, 2021, an interim report by June 22, 2022, and a final report to the governor and appropriate committees of the legislature by June 30, 2023, that includes a process for establishing vehicle miles traveled reduction targets, a recommended suite of options for local jurisdictions to achieve the targets, and funding requirements for state and local jurisdictions.

(4) ~~(\$406,000)~~ \$451,000 of the state route number 520 corridor account—state appropriation is provided solely for the department to contract with the University of Washington department of mechanical engineering, to study measures to reduce noise impacts from the state route number 520 bridge expansion joints. The field testing shall be scheduled during existing construction, maintenance, or other scheduled closures to minimize impacts. The testing must also ensure safety of the traveling public. The study shall examine testing methodologies and project timelines and costs. A ~~(final)~~ draft report must be submitted to the transportation committees of the legislature and the governor by March 1, 2022. A final report must be submitted to the transportation committees of the legislature and the governor by December 31, 2022.

(5) \$5,900,000 of the motor vehicle account—federal appropriation and \$400,000 of the motor vehicle account—private/local appropriation are provided solely for delivery of the department's state planning and research work program and pooled fund research projects ~~(, provided that the department may not expend any amounts provided in this section on a long range plan or corridor scenario analysis for I-5 from Tumwater to Marysville. This is not intended to reference or impact: The existing I-5 corridor from Mounts road to Tumwater design and operations alternatives analysis; design studies related to HOV lanes or operations; or where it is necessary to continue design and operations analysis related to projects already under development).~~

(6) \$800,000 of the motor vehicle account—state appropriation is provided solely for WSDOT to do a corridor study of SR 302 (Victor Area) to recommend safety and infrastructure improvements to address current damage and prevent future roadway collapse and landslides that have caused road closures.

(7) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for a study on the need for additional connectivity in the area between SR 161, SR 7, SR 507, and I-5 in South Pierce County.

(8) \$1,654,000 of the motor vehicle account—state appropriation and \$108,000 of the multimodal transportation account—state appropriation are provided solely for contingency funding to address emergent issues related to mitigating negative impacts of the high level of staff vacancies. Potential uses of the funding include, but are not limited to, the following: Increased overtime, travel, and other related costs; increased contracting to maintain adequate service levels; and unanticipated facility and equipment needs. By January 1, 2023, the department must submit a report to the governor and the transportation committees of the legislature detailing the specific expenditures made from the contingency funding provided in this subsection.

(9) \$450,000 of the motor vehicle account—state appropriation is provided solely for the department to complete a performance-based project evaluation model based on the initial work done for section 218(7), chapter 219, Laws of 2020, in a way that operationalizes the six transportation policy goals in RCW

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47.04.280. This work should first include clarification of the transportation policy goals through development of objectives and criteria that reflect system priorities based on outcomes of community engagement. After a framework is established by which goals can be more directly related to outcomes, the project evaluation model should leverage the department's existing experts and best practices used for prioritizing programmatic funds to develop procedures by which evaluators could consistently score and rank all types of projects. The department must issue a report by June 30, 2023, summarizing the new project evaluation model, and provide recommendations for how this process could be implemented in coordination with the legislative work cycle.

(10)(a) \$250,000 of the multimodal transportation account—state appropriation is provided solely for Thurston regional planning council (TRPC) to conduct a study examining options for multimodal high capacity transportation (HCT) to serve travelers on the I-5 corridor between central Thurston county (Olympia area) and Pierce county.

(b) The study will include an assessment of travelsheds and ridership potential and identify and provide an evaluation of options to enhance connectivity and accessibility for the greater south Puget Sound region with an emphasis on linking to planned or existing commuter or regional light rail. The study must account for previous and ongoing efforts by transit agencies and the department. The study will emphasize collaboration with a diverse community of interests, including but not limited to transit, business, public agencies, tribes, and providers and users of transportation who because of age, income, or ability may face barriers and challenges. TRPC will provide to the transportation committees of the legislature a study outline and recommendations of deliverables by December 1, 2022.

(11) \$600,000 of the multimodal transportation account—state appropriation is provided solely for the city of Seattle's office of planning and community development to support an equitable development initiative to reconnect the South Park neighborhood, currently divided by State Route 99.

(a) The support work must include:

(i) A public engagement and visioning process led by a neighborhood-based, community organization; and

(ii) A feasibility study of decommissioning SR 99 in the South Park neighborhood to include, but not be limited to, traffic studies, environmental impact analysis, and development of alternatives, including the transfer of the land to a neighborhood-led community land trust.

(b) The support work must be conducted in coordination and partnership with neighborhood residents, neighborhood industrial and commercial representatives, the state department of transportation, and other entities and neighborhoods potentially impacted by changes to the operation of SR 99.

(c) The city must provide a report on the plan that includes recommendations to the Seattle city council, state department of transportation, and the transportation committees of the legislature by January 1, 2025.

Sec. 220. 2021 c 333 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Aeronautics Account—State Appropriation	\$1,000
Transportation Partnership Account—State Appropriation	(\$23,000)
	\$25,000
Motor Vehicle Account—State Appropriation	(\$99,515,000)
	\$101,849,000
Puget Sound Ferry Operations Account—State Appropriation	

					(\$220,000)
					\$244,000
State Route Number 520 Corridor Account—State					\$26,000
Appropriation					
Connecting Washington Account—State					Appropriation
					(\$184,000)
					\$203,000
Multimodal Transportation Account—State					Appropriation
					(\$4,795,000)
					\$4,968,000
Tacoma Narrows Toll Bridge Account—State					Appropriation
					\$19,000
Alaskan Way Viaduct Replacement Project Account—State					Appropriation
					\$14,000
Interstate 405 and State Route Number 167 Express Toll Lanes					Account—State Appropriation
					\$15,000
TOTAL APPROPRIATION					(\$104,812,000)
					\$107,364,000

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

(1) Consistent with existing protocol and practices, for any negotiated settlement of a claim against the state for the department that exceeds five million dollars, the department, in conjunction with the attorney general and the department of enterprise services, shall notify the director of the office of financial management and the transportation committees of the legislature.

(2) Beginning October 1, 2021, and semiannually thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the Washington state ferry system to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; (c) defense costs associated with those claims and settlements; and (d) information on the impacts of moving legal costs associated with the Washington state ferry system into the statewide self-insurance pool.

(3) Beginning October 1, 2021, and semiannually thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the nonferry operations of the department to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; and (c) defense costs associated with those claims and settlements.

(4) When the department identifies significant legal issues that have potential transportation budget implications, the department must initiate a briefing for appropriate legislative members or staff through the office of the attorney general and its legislative briefing protocol.

Sec. 221. 2021 c 333 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State					Appropriation
					\$784,000
Regional Mobility Grant Program Account—State					Appropriation
					(\$104,478,000)
					\$115,488,000
Rural Mobility Grant Program Account—State					Appropriation
					(\$33,168,000)

	<u>\$33,283,000</u>
Multimodal Transportation Account—State Appropriation	((\$131,150,000))
	<u>\$134,754,000</u>
Multimodal Transportation Account—Federal Appropriation	\$3,574,000
Multimodal Transportation Account—Local Appropriation	\$100,000
TOTAL APPROPRIATION	((\$273,254,000))
	<u>\$287,983,000</u>

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

(1) \$67,821,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) \$15,568,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided. Fuel type may not be a factor in the grant selection process.

(b) \$52,253,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2019 as reported in the "Summary of Public Transportation - 2019" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. Fuel type may not be a factor in the grant selection process.

(2) ((~~\$33,168,000~~)) \$33,283,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100. Fuel type may not be a factor in the grant selection process.

(3) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for a ((~~vanpool~~)) public transit rideshare grant program for: (a) Public transit agencies to add ((~~vanpools~~)) or replace ((~~vans~~)) rideshare vehicles; and (b) incentives ((~~for employers~~)) and outreach to increase ((~~employee vanpool~~)) rideshare use. The grant program for public transit agencies may cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds. Fuel type may not be a factor in the grant selection process.

(4) ((~~\$26,800,000~~)) \$37,809,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((~~2021-2~~)) 2022-2 ALL PROJECTS as developed ((~~April 23, 2021~~)) March 9, 2022, Program - Public Transportation Program (V).

(5)(a) \$77,679,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((~~2021-2~~)) 2022-2 ALL PROJECTS as developed

((~~April 23, 2021~~)) March 9, 2022, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2021, and December 15, 2022, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. Additionally, when allocating funding for the 2023-2025 biennium, no more than thirty percent of the total grant program may directly benefit or support one grantee unless all other funding is awarded. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant. Fuel type may not be a factor in the grant selection process.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2021-2023 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) \$6,500,000 of the multimodal transportation account—state appropriation and \$784,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities. Fuel type may not be a factor in the grant selection process. Of this amount:

(a) \$30,000 of the state vehicle parking account—state appropriation is provided solely for the STAR pass program for state employees residing in Mason and Grays Harbor Counties. Use of the pass is for public transportation between Mason County and Thurston County, and Grays Harbor and Thurston County. The pass may also be used within Grays Harbor County. The STAR pass commute trip reduction program is open to any state employee who expresses intent to commute to his or her assigned state worksite using a public transit system currently participating in the STAR pass program.

(b) \$800,000 of the multimodal transportation account—state appropriation is provided solely for continuation of the first mile/last mile connections grant program. Eligible grant recipients include cities, businesses, nonprofits, and transportation network companies with first mile/last mile solution proposals. Transit agencies are not eligible. The commute trip reduction board shall develop grant parameters, evaluation criteria, and evaluate grant proposals. The commute

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trip reduction board shall provide the transportation committees of the legislature a report on the effectiveness of this grant program and best practices for continuing the program.

(8)(a) Except as provided otherwise in this subsection, ~~((\$28,263,000))~~ \$29,030,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document ~~((2021-2))~~ 2022-2 ALL PROJECTS as developed ~~((April 23, 2021))~~ March 9, 2022. It is the intent of the legislature that entities identified to receive funding in the LEAP document referenced in this subsection receive the amounts specified in the time frame specified in that LEAP document. If an entity has already completed a project in the LEAP document referenced in this subsection before the time frame identified, the entity may substitute another transit project or projects that cost a similar or lesser amount.

(b) Within the amount provided in this subsection, \$900,000 of the multimodal transportation account—state appropriation is provided solely to complete work on Martin Luther King Way, Rainier Ave improvements (G2000040).

(9) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(10) ~~((\$21,858,000))~~ \$23,349,000 of the multimodal transportation account—state appropriation is provided solely for the green transportation capital grant program established in chapter 287, Laws of 2019 (advancing green transportation adoption).

(11) \$555,000 of the multimodal transportation account—state appropriation is provided solely for an interagency transfer to the Washington State University extension energy program to establish and administer a technical assistance and education program for public agencies on the use of alternative fuel vehicles. The Washington State University extension energy program shall prepare a report regarding the utilization of the program and provide this report to the transportation committees of the legislature by November 15, 2021.

(12) The department must provide telework assistance to employers as part of its CTR activities. The objectives of telework assistance include improving transportation system performance, supporting economic vitality, and increasing equity and access to opportunity.

(13) \$150,000 of the multimodal transportation account—state appropriation is provided solely for Intercity Transit for the Dash shuttle program.

(14)(a) \$500,000 of the multimodal transportation account—state appropriation is provided solely for King county metro to develop a pilot program to place teams including human services personnel along routes that are enduring significant public safety issues and various disruptive behavior in south King county. The team would be available to deescalate disruptions, provide immediate access to transit resources, and refer customers to community resources to break cycles of inappropriate behavior. The teams must be individuals trained in deescalation and outreach. The function and duties should be cocreated with community stakeholders.

(b) King county metro must provide a report to the transportation committees of the legislature by June 30, 2023, regarding the effectiveness of the program, any suggestions for improving its efficacy, and any modifications that might be necessary for other transit providers to institute similar programs.

(c) If King county metro does not provide at least \$500,000 to develop the pilot program funded by this subsection, the amount provided in this subsection lapses.

(15)(a) \$250,000 of the multimodal transportation account—state appropriation is provided solely for the department, in

consultation with the joint transportation committee, to conduct a study of statewide transit service benchmarks. Elements of the study include:

(i) Development of definitions of frequent fixed route transit and accessible frequent fixed route transit; and

(ii) Identification of, to the extent possible using existing data, current gaps in frequent fixed route transit and accessible walking routes to frequent fixed route transit stops.

(b) An initial report is due by December 15, 2022, that proposes a definition of frequent transit and documents how many people in Washington live within one half mile walk of frequent transit. A final report is due by June 30, 2023, that identifies gaps in accessible frequent transit, analyzed for disparities in race, age, and disability, and develops funding scenarios to address the identified gaps.

(16) Within existing resources, the department shall prepare a report regarding the funding, implementation, and operation of the grant management system or systems utilized by the public transportation division. In preparing this report, the department must survey and report on all grant recipients experience with the operation of this system or systems. The department shall provide this report to the transportation committees of the legislature by November 15, 2022.

Sec. 222. 2021 c 333 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account—State Appropriation	((<u>\$416,614,000</u>))
	<u>\$430,388,000</u>
Puget Sound Ferry Operations Account—Federal Appropriation	((<u>\$124,000,000</u>))
	<u>\$156,789,000</u>
Puget Sound Ferry Operations Account—Private/Local Appropriation	\$121,000
TOTAL APPROPRIATION	((<u>\$540,735,000</u>))
	<u>\$587,298,000</u>

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2021-2023 supplemental and 2023-2025 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs. The data in the tables in the report must be supplied in a digital file format.

(2) For the 2021-2023 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee, which must include a representative of the department of enterprise services.

(3) ~~((\$17,000,000))~~ \$32,905,000 of the Puget Sound ferry operations account—federal appropriation and \$53,794,000 of the Puget Sound ferry operations account—state appropriation are provided solely for auto ferry vessel operating fuel in the 2021-2023 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703 of this act. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge. The department shall review future use of alternative fuels and dual fuel configurations, including hydrogen.

(4) \$500,000 of the Puget Sound ferry operations account—state appropriation is provided solely for operating costs related to moving vessels for emergency capital repairs. Funds may only be spent after approval by the office of financial management.

(5) \$2,400,000 of the Puget Sound ferry operations account—state appropriation ~~((is))~~ and \$2,000,000 of the Puget Sound ferry operations account—federal appropriation are provided solely for staffing and overtime expenses incurred by engine and deck crewmembers. The department must provide updated staffing cost estimates for fiscal years 2022 and 2023 with its annual budget submittal and updated estimates by January 1, 2022.

(6) \$688,000 of the Puget Sound ferry operations account—state appropriation ~~((is))~~ and \$697,000 of the Puget Sound ferry operations account—federal appropriation are provided solely for new employee training. The department must work to increase its outreach and recruitment of populations underrepresented in maritime careers and continue working to expand apprenticeship and internship programs, with an emphasis on programs that are shown to improve recruitment for positions with the state ferry system.

(7) The department must request reimbursement from the federal transit administration for the maximum amount of ferry operating expenses eligible for reimbursement under federal law.

~~(8) (\$1,978,000 of the Puget Sound ferry operations account—state appropriation is provided solely for restoration of service to reflect increased ridership, availability of crewing and available revenues. Expenditures may be made to resume service to Sidney, British Columbia, including any service to the San Juans; to provide Saturday service on the Fauntleroy Vashon Southworth route; and to resume late night service on other routes in the system.~~

~~(9) Within amounts provided in this section,))~~ \$484,000 of the Puget Sound ferry operations account—federal is provided solely for the department ~~((shall))~~ to contract ~~((with uniformed officers))~~ for additional traffic control assistance at the Kingston ferry terminal during peak ferry travel times, with a particular focus on Sundays and holiday weekends. Traffic control methods should include, but not be limited to, holding traffic on the shoulder at Lindvog Road until space opens for cars at the tollbooths and dock, and management of traffic on Highway 104 in order to ensure Kingston residents and business owners have access to businesses, roads, and driveways.

~~((40))~~ (9) \$336,000 of the Puget Sound ferry operations account—state appropriation is provided solely for evacuation slide training.

~~((41))~~ (10) \$336,000 of the Puget Sound ferry operations account—state appropriation is provided solely for fall restraint labor and industries inspections.

~~((42))~~ (11) \$735,000 of the Puget Sound ferry operations account—state appropriation ~~((is))~~ and \$410,000 of the Puget Sound ferry operations account—federal appropriation are provided solely for familiarization for new assignments of engine crew and terminal staff.

~~((43))~~ (12) \$160,000 of the Puget Sound ferry operations account—state appropriation is provided solely for electronic navigation training.

(13) \$250,000 of the Puget Sound ferry operations account—state appropriation is provided solely for Washington State Ferries to conduct a study of passenger demographics. The study must include:

(a) Information on age, race, gender, income level of passengers by route in summer and winter seasons;

(b) Composition of passengers by travel purpose, such as commute, tourism, or commerce; and

(c) Frequency of passenger trips by mode and fare products utilized.

The study may be included as part of a larger origin and destination study. The department shall report study results to the transportation committees of the legislature by December 1, 2023.

(14)(a) \$8,419,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for Washington state ferries to:

(i) Continuously recruit and hire deck, engine, and terminal staff;

(ii) Contract with an external recruitment firm to increase recruitment efforts both locally and nationally with an emphasis on attracting maritime workers from communities underrepresented in the ferry system;

(iii) Enhance employee retention by standardizing on-call worker schedules;

(iv) Increase training and development opportunities for employees; and

(v) Make improvements to hiring processes by establishing additional positions to support timely hiring of employees.

(b) It is the intent of the legislature to continue funding for the activities outlined in this section as part of the move ahead WA package.

(15) \$248,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for labor at the Vashon terminal.

(16) \$194,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for operating costs at the Mukilteo terminal.

(17) \$294,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for deck and engine internships.

(18) By December 1, 2022, the department must report on the status of efforts to increase training and development opportunities for employees. The report must include a description of the new training and career advancement programs for able-bodied sailors, mates, and engineers; the numbers of employees participating in each program; the number of employees completing each program; the number of open positions that the program is designed to fill; and the anticipated number of employee promotions as a result of program completion. The department must provide the report to the office of financial management and the transportation committees of the legislature.

(19) For the Mukilteo multimodal terminal, the department must submit a report showing for a 12-month period, on a monthly basis, how much electricity is generated by solar power generated on-site, electricity usage, and actual electricity cost savings. The report is due to the transportation committees of the legislature by June 30, 2023.

(20) \$93,000 of the Puget Sound ferry operations account—state appropriation is provided solely for Washington state ferries to partner with local community colleges and universities to secure housing for workforce training sessions and to pay in advance for the costs of transportation worker identification credentials for incoming ferry system employees and trainees.

(21)(a) \$300,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the department, in consultation with the joint transportation committee, to oversee a consultant study to identify and recommend cost-effective strategies to maximize walk-on passenger ridership of the Anacortes – San Juan ferry routes. The study must also identify available public funding sources to support these strategies. Reducing the need for passengers to bring their cars on the ferries will increase the capacity of each ferry run to transport more people.

(b) The evaluated options may include, but not be limited to:

(i) Increased public funding or other support for transit or

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shuttle service between ferry landings on Orcas, Lopez, San Juan, and Anacortes and nearby major town centers or connecting transit hubs;

(ii) Options to increase availability of taxi and rideshare services at each of the landings;

(iii) Short-term electric vehicle rentals at ferry landings, including electric bicycles and scooters;

(iv) Public funding or other support to increase the available locations for additional parking and reduce the cost for short-term parking near each landing;

(v) Marketing of the availability of options through the Washington state ferries reservation system website, on ferries and at ferry landings and ticketing facilities.

(c) Outreach for the study, including on the feasibility and effectiveness of each strategy evaluated, must include outreach to representatives of:

(i) Washington state ferries;

(ii) San Juan county council;

(iii) Anacortes and San Juan Islands ferry advisory committee members;

(iv) San Juan economic development council;

(v) City of Anacortes;

(vi) City of Friday Harbor;

(vii) Skagit transit;

(viii) Skagit RTPO;

(ix) Eastsound;

(x) Lopez Village;

(xi) Transit dependent populations; and

(xii) Others as deemed appropriate by the committee.

(d) A report with recommendations on the most feasible and cost-effective strategies to maximize walk-on passenger ridership of the Anacortes – San Juan and Anacortes - Sidney ferry routes is due to the transportation committees of the legislature by January 6, 2023.

(22)(a) During negotiations of the 2023-2025 collective bargaining agreements, the department must conduct a review and analysis of the collective bargaining agreements governing state ferry employees, to identify provisions that create barriers for, or contribute to creating a disparate impact on, newly hired ferry employees, including those who are women, people of color, veterans, and other employees belonging to communities that have historically been underrepresented in the workforce. The review and analysis must include, but not be limited to, provisions regarding seniority, work assignments, and work shifts. The review and analysis must also include consultation with the governor's office of labor relations, the governor's office of equity, and the attorney general's office.

(b) For future negotiations or modifications of the collective bargaining agreements, it is the intent of the legislature that the collective bargaining representatives for the state and ferry employee organizations may consider the findings of the review and analysis required in (a) of this subsection and negotiate in a manner to remove identified barriers and address identified impacts so as not to perpetuate negative impacts.

(23) To the extent that an activity funded by federal funds in this section is not eligible for federal reimbursement, the department may transfer expenditure authority between state and federal appropriations provided in this section.

Sec. 223. 2021 c 333 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING

Multimodal Transportation Account—State Appropriation
 ((\$80,704,000))
 \$68,430,000

Multimodal Transportation Account—Private/Local Appropriation	\$46,000
Multimodal Transportation Account—Federal Appropriation	\$500,000
TOTAL APPROPRIATION	(\$81,250,000)
	\$68,976,000

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

(1) The department is directed to continue to pursue efforts to reduce costs, increase ridership, and review Amtrak Cascades fares and fare schedules. Within thirty days of each annual cost/revenue reconciliation under the Amtrak service contract, the department shall report annual credits to the office of financial management and the legislative transportation committees. Annual credits from Amtrak to the department including, but not limited to, credits due to higher ridership, reduced level of service, and fare or fare schedule adjustments, must be used to offset corresponding amounts of the multimodal transportation account—state appropriation, which must be placed in reserve.

(2) Consistent with the ongoing planning and service improvement for the intercity passenger rail program, \$500,000 of the multimodal transportation account—state is provided solely for the Cascades service development plan. This funding is to be used to analyze current and future market conditions and to develop a structured assessment of service options and goals based on anticipated demand and the results of the state and federally required 2019 state rail plan, including identifying implementation alternatives to meet the future service goals for the Amtrak Cascades route. The work must be consistent with federal railroad administration guidance and direction on developing service development plans. It must also leverage the \$500,000 in federal funding appropriated for development of a service development plan and comply with the planning and grant award obligations of the consolidated rail infrastructure and safety improvements (CRISI) program. A status report must be provided to the transportation committees of the legislature by June 30, 2022.

(3) \$4,000,000 of the multimodal transportation account—state appropriation is provided solely for the continued coordination, engagement, and planning for a new ultra high-speed ground transportation corridor with participation from Washington, Oregon, and British Columbia. This funding is contingent on meaningful financial contributions for this effort by Oregon or British Columbia. "Ultra high-speed" means a maximum testing speed of at least 250 miles per hour. These efforts are to support and advance activities and must abide by the memorandum of understanding signed by the governors of Washington and Oregon, and the premier of the province of British Columbia in November 2021. The department shall establish a policy committee with participation from Washington, Oregon, and British Columbia, including representation from the two largest caucuses of each chamber of the Washington state legislature, and coordinate the activities of the policy committee to include:

(a) Developing an organizational framework that facilitates input in decision-making from all parties;

(b) Developing a public engagement approach with a focus on equity, inclusion, and meaningful engagement with communities, businesses, federal, state, provincial, and local governments including indigenous communities;

(c) Developing and leading a collaborative approach to prepare and apply for potential future federal, state, and provincial funding opportunities, including development of strategies for incorporating private sector participation and private sector contributions to funding, including through the possible use of public-private partnerships;

(d) Beginning work on scenario analysis addressing advanced transportation technologies, land use and growth assumptions, and an agreed to and defined corridor vision statement; and

(e) Developing a recommendation on the structure and membership of a formal coordinating entity that will be responsible for advancing the project through the project initiation stage to project development and recommended next steps for establishment of the coordinating entity. Project development processes must include consideration of negative and positive impacts on communities of color, low-income households, indigenous peoples, and other disadvantaged communities.

By June 30, 2023, the department shall provide to the governor and the transportation committees of the legislature a report detailing the work conducted by the policy committee and recommendations for establishing a coordinating entity. The report must also include an assessment of current activities and results relating to stakeholder engagement, planning, and any federal funding application. As applicable, the assessment should also be sent to the executive and legislative branches of government in Oregon and appropriate government bodies in the province of British Columbia.

(4) The department shall consider applying for federal grant opportunities that support the development of the Amtrak Cascades service. Grant submittals must align with the department's federally required service development plan and state rail plans and partnership agreements with Amtrak as the service provider and BNSF Railway as the host railroad.

Sec. 224. 2021 c 333 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	(\$11,954,000)
	\$12,451,000
Motor Vehicle Account—Federal Appropriation	\$2,567,000
Multiuse Roadway Safety Account—State Appropriation	\$900,000
Multimodal Transportation Account—State Appropriation	\$250,000
TOTAL APPROPRIATION	(\$15,421,000)
	\$16,168,000

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

(1) The entire multiuse roadway safety account—state appropriation is provided solely for grants under RCW 46.09.540, subject to the following limitations:

(a) Twenty-five percent of the amounts provided are reserved for counties that each have a population of fifteen thousand persons or less; and

(b)(i) Seventy-five percent of the amounts provided are reserved for counties that each have a population exceeding fifteen thousand persons; and

(ii) No county that receives a grant or grants under (a) of this subsection may receive more than sixty thousand dollars in total grants.

(2) \$1,023,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to:

(a) In coordination with stakeholders, identify county-owned fish passage barriers, and assess which barriers share the same stream system as state-owned fish passage barriers;

(b) Streamline and update the county road administration board's data dashboard, county reporting systems, and program management software to provide a more detailed, more

transparent, and user-friendly platform for data management, reporting, and research by the public and other interested parties; and

(c) Conduct a study of the use of county road right-of-way as a potential source of revenue for county road operating and maintenance needs with recommendations on their feasibility statewide.

~~((3)(a) By October 1, 2021, the department must report to the office of financial management and the transportation committees with recommendations regarding:~~

~~(i) Modifications to the agreement with Wahkiakum county regarding future state reimbursement for the Wahkiakum ferry operating and maintenance deficit; and~~

~~(ii) Cost sharing models for operating and maintenance costs, which recognize the benefit of the ferry route to both Washington and Oregon.~~

~~(b) The reimbursement recommendations must reflect a mutual agreement with Wahkiakum county, which considers future county ferry operating loss projections. The report may address the importance of the ferry route to the state highway system and whether there is a need for an increased role for the state department of transportation in the finance or operation of the ferry route.))~~

TRANSPORTATION AGENCIES—CAPITAL

Sec. 301. 2021 c 333 s 301 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State Appropriation	(\$16,577,000)
	\$17,769,000
Freight Mobility Multimodal Account—State Appropriation	(\$15,195,000)
	\$14,004,000
TOTAL APPROPRIATION	(\$31,772,000)
	\$31,773,000

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

(1) Except as otherwise provided in this section, the entire appropriations in this section are provided solely for the projects by amount, as listed in the LEAP Transportation Document ~~((2021-2))~~ 2022-2 ALL PROJECTS as developed ~~((April 23, 2021))~~ March 9, 2022, Freight Mobility Strategic Investment Board (FMSIB).

(2) Until directed by the legislature, the board may not initiate a new call for projects.

(3) It is the intent of the legislature to continue to make strategic investments in a statewide freight mobility transportation system with the help of the freight mobility strategic investment board, including projects that mitigate the impact of freight movement on local communities. To that end, and in coordination with WSDOT as it updates its federally-compliant freight plan, the board is directed to identify the highest priority freight investments for the state, across freight modes, state and local jurisdictions, and regions of the state. By December 1, 2021, the board must submit a preliminary report providing a status update on the process and methodology for identifying and prioritizing investments. By December 1, 2022, the board must submit a prioritized list of freight investments that are geographically balanced across the state and can proceed to construction in a timely manner. The prioritized freight project list for the state portion of national highway freight program funds must first address shortfalls in funding for connecting Washington act projects.

(4)(a) For the 2021-2023 project appropriations, unless otherwise provided in this act, the director of the office of

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financial management may authorize a transfer of appropriation authority between projects managed by the freight mobility strategic investment board in order for the board to manage project spending and support the efficient and timely delivery of all projects in the program. The office of financial management may authorize a transfer of appropriation authority between projects under the following conditions and limitations:

(i) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(ii) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects on ~~((the))~~ LEAP Transportation Document ~~((2021-2))~~ 2022-2 ALL ((PROJECT list)) PROJECTS as developed March 9, 2022;

(iii) Transfers between projects may be made by the board without the formal written approval provided under this subsection (3)(a), provided that the transfer amount does not exceed \$250,000 or 10 percent of the total project, whichever is less. These transfers must be reported to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees; and

(iv) Except for transfers made under (a)(iii) of this subsection, transfers may only be made in fiscal year 2023.

(b) At the time the board submits a request to transfer funds under this section, a copy of the request must be submitted to the chairs and ranking members of the transportation committees of the legislature.

(c) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner and consider any concerns raised by the chairs and ranking members of the transportation committees.

(d) No fewer than 10 days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the board of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

Sec. 302. 2021 c 333 s 302 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation
~~(((\$1,196,000))~~
\$4,803,000

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

(1) \$695,000 of the state patrol highway account—state appropriation is provided solely for roof replacement.

(2) \$3,501,000 of the state patrol highway account—state appropriation is provided solely for the following projects:

- (a) \$250,000 for emergency repairs;
- (b) \$350,000 for fuel tank decommissioning;
- (c) \$750,000 for generator and electrical replacement;
- (d) \$195,000 for the exterior envelope of the Yakima office;
- (e) \$466,000 for equipment shelters;
- (f) \$650,000 for the weatherization projects;
- (g) \$200,000 for roof replacements reappropriation; and
- (h) \$640,000 for water and fire suppression systems reappropriation and \$607,000 for additional water and fire suppression systems.

(3) The Washington state patrol may transfer funds between projects specified in this subsection to address cash flow requirements. If a project specified in this subsection is completed for less than the amount provided, the remainder may be transferred to another project specified in this subsection not to

exceed the total appropriation provided in this subsection.

Sec. 303. 2021 c 333 s 303 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation
 \$55,028,000
 Motor Vehicle Account—State Appropriation \$1,456,000
 County Arterial Preservation Account—State Appropriation
~~(((\$37,379,000))~~
\$44,653,000
 TOTAL APPROPRIATION ~~(((\$93,863,000))~~
\$101,137,000

Sec. 304. 2021 c 333 s 305 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Motor Vehicle Account—State Appropriation~~(((\$10,852,000))~~
\$16,076,000
 Connecting Washington Account—State Appropriation
~~(((\$3,289,000))~~
\$3,667,000
 TOTAL APPROPRIATION ~~(((\$14,141,000))~~
\$19,743,000

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

(1) \$3,289,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue in Lacey, Washington.

(2)(a) \$4,325,000 of the motor vehicle account—state appropriation is provided solely for payments of a financing contract issued pursuant to chapter 39.94 RCW for the department facility located at 15700 Dayton Ave N in Shoreline.

(b) Payments from the department of ecology pursuant to the agreement with the department to pay a share of the financing contract in (a) of this subsection must be deposited into the motor vehicle account.

Sec. 305. 2021 c 333 s 306 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Transportation 2003 Account (Nickel Account)—State Appropriation
~~(((\$149,000))~~
\$482,000
 Transportation Partnership Account—State Appropriation
~~(((\$119,053,000))~~
\$232,566,000
 Motor Vehicle Account—State Appropriation~~(((\$89,717,000))~~
\$246,948,000
 Motor Vehicle Account—Federal Appropriation
~~(((\$388,903,000))~~
\$251,835,000
 Coronavirus State Fiscal Recovery Fund—Federal Appropriation
 \$400,000,000
 Motor Vehicle Account—Private/Local Appropriation
~~(((\$48,628,000))~~
\$56,192,000
 Connecting Washington Account—State Appropriation
~~(((\$2,881,033,000))~~
\$2,063,783,000
 Special Category C Account—State Appropriation
~~(((\$105,363,000))~~

	<u>\$86,198,000</u>
Multimodal Transportation Account—State Appropriation	((<u>\$10,784,000</u>))
	<u>\$10,792,000</u>
<u>Puget Sound Gateway Facility Account—State Appropriation</u>	<u>\$8,400,000</u>
State Route Number 520 Corridor Account—State Appropriation	((<u>\$15,940,000</u>))
	<u>\$70,886,000</u>
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	((<u>\$30,308,000</u>))
	<u>\$217,282,000</u>
<u>Move Ahead WA Account—State Appropriation</u>	<u>\$10,771,000</u>
<u>Move Ahead WA Account—Federal Appropriation</u>	<u>\$7,200,000</u>
TOTAL APPROPRIATION	((<u>\$4,089,878,000</u>))
	<u>\$3,663,335,000</u>

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

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((~~2021-4~~) 2022-1 as developed ((~~April 23, 2021~~) March 9, 2022, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 ((~~of this act~~), chapter 333, Laws of 2021.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((~~2021-2~~) 2022-2 ALL PROJECTS as developed ((~~April 23, 2021~~) March 9, 2022, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, or the federal funds redistribution process must then be applied to highway and bridge preservation activities or fish passage barrier corrections (OBI4001), as long as the application of the funds is not inconsistent with subsection (26) of this section.

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) The connecting Washington account—state appropriation includes up to ((~~\$2,230,636,000~~) \$326,594,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(5) The special category C account—state appropriation includes up to ((~~\$82,475,000~~) \$51,460,000 in proceeds from the sale of bonds authorized in RCW 47.10.812.

(6) The transportation partnership account—state appropriation includes up to ((~~\$28,411,000~~) \$124,629,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(7) ((~~\$60,450,000~~) \$161,792,000 of the transportation partnership account—state appropriation, ((~~\$2,258,000~~) \$3,882,000 of the motor vehicle account—private/local appropriation, \$9,000,000 of the motor vehicle account—state appropriation, \$1,000 of the transportation 2003 account (nickel

account)—state appropriation, and ((~~\$984,000~~) \$985,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z). It is the intent of the legislature that any legal damages paid to the state as a result of a lawsuit related to contractual provisions for construction and delivery of the Alaskan Way viaduct replacement project be used to repay project cost increases paid from the transportation partnership account—state funds and motor vehicle account—state funds.

(8) ((~~\$193,699,000~~) \$186,820,000 of the connecting Washington account—state appropriation ((~~*~~) and \$488,000 of the motor vehicle account—local appropriation are provided solely for the US 395 North Spokane Corridor project (M00800R). If the department expects the original scope of this project to be completed under budget when a final design is approved for the interchange with I-90 and nearby on ramp access, then the scope of work for this project must also include constructing a land bridge in the vicinity of Liberty Park in Spokane, if appropriations are sufficient. It is the intent of the legislature, consistent with the move ahead WA proposal, to advance future funding for this project in order to accelerate delivery by up to two years.

(9)(a) ((~~\$14,827,000~~) \$177,982,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation is provided solely for the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) for activities related to adding capacity on Interstate 405 between state route number 522 and Interstate 5, with the goals of increasing vehicle throughput and aligning project completion with the implementation of bus rapid transit in the vicinity of the project.

(b) The department may advance the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) and construct the project earlier than is scheduled in the LEAP transportation document referenced in subsection (2) of this section if additional funding is identified and submitted through the existing unanticipated receipts process by September 1, 2021. The department and the state treasurer shall pursue alternatives to toll revenue funding including but not limited to federal loan and grant programs. The department shall explore phasing and modifying the project to attempt to align project completion with the anticipated deployment of bus rapid transit on the corridor in the 2023-2025 biennium. The department shall report back to the transportation committees of the legislature on this work by September 15, 2021.

(10)(a) ((~~\$492,349,000~~) \$329,681,000 of the connecting Washington account—state appropriation, \$70,886,000 of the state route number 520 corridor account—state appropriation, and ((~~\$355,000~~) \$1,021,000 of the motor vehicle account—private/local appropriation are provided solely for the SR 520 Seattle Corridor Improvements - West End project (M00400R).

(b) Upon completion of the Montlake Phase of the West End project (current anticipated contract completion of 2023), the department shall sell that portion of the property not used for permanent transportation improvements and initiate a process to convey that surplus property to a subsequent owner.

(c) Of the amounts provided in this subsection (10), \$100,000 of the state route number 520 corridor account—state appropriation is provided solely for noise mitigation activities. It is the intent of the legislature to provide an additional \$1,000,000 for noise mitigation activities over the course of the 16-year move ahead WA funding package.

(11) ((~~\$382,880,000~~) \$361,296,000 of the connecting Washington account—state appropriation, \$4,800,000 of the multimodal transportation account—state appropriation, ((~~\$17,869,000~~) \$13,725,000 of the motor vehicle account—private/local appropriation, \$7,200,000 of the move ahead WA

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account—federal appropriation, \$8,400,000 of the Puget Sound Gateway facility account—state appropriation, and ((~~\$82,165,000~~) \$85,015,000 of the motor vehicle account—federal appropriation are provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall continue to collaborate with the affected stakeholders as it implements the corridor construction and implementation plan for state route number 167 and state route number 509. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(c) It is the legislature's intent that the department shall ~~((construct a full single point urban))~~ consult with the joint executive committee and joint steering committee to determine the most appropriate interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 ((and a full directional interchange at the junction of state route number 509 and 188th Street. If the department receives additional funds from an outside source for this project after the base project is fully funded, the funds must first be applied toward the completion of these two interchanges)).

(d) Of the amounts provided in this subsection, \$2,300,000 of the multimodal transportation account—state appropriation is provided solely for the design phase of the Puyallup to Tacoma multiuse trail along the SR 167 right-of-way acquired for the project to connect a network of new and existing trails from Mount Rainier to Point Defiance Park.

(e) Of the amounts provided in this subsection, \$2,500,000 of the multimodal transportation account—state appropriation is provided solely for segment 2 of the state route number 167 completion project shared-use path to provide connections to the interchange of state route number 167 at 54th to the intersection of state route number 509 and Taylor Way in Tacoma.

(12)(a) ~~((~~\$26,928,000~~) \$25,378,000 of the motor vehicle account—state appropriation and ((~~\$1,671,000~~) \$413,000 of the motor vehicle account—private/local appropriation are provided solely to support a project office and the continued work toward the I-5 Interstate Bridge Replacement project (L2000370).~~

(b) The project office must also study the possible different governance structures for a bridge authority that would provide for the joint administration of the bridges over the Columbia river between Oregon and Washington. As part of this study, the project office must examine the feasibility and necessity of an interstate compact in conjunction with the national center for interstate compacts.

(c) During the 2021-2023 biennium, the department shall have as a goal to:

- (i) Conduct all work necessary to prepare and publish a draft SEIS;
- (ii) Coordinate with regulatory agencies to begin the process of obtaining environmental approvals and permits;
- (iii) Identify a locally preferred alternative; and
- (iv) Begin preparing a final SEIS.

The department shall aim to provide progress reports on these activities to the governor and the transportation committees of the legislature by December 1, 2021, June 1, 2022, and December 1, 2022.

(13)(a) \$400,000,000 of the coronavirus state fiscal recovery

fund—federal appropriation, ~~((~~\$529,577,000~~) \$25,327,000 of the connecting Washington account—state appropriation, ((~~\$194,959,000~~) \$35,263,000 of the motor vehicle account—federal appropriation, \$5,618,000 of the motor vehicle account—local appropriation, \$9,016,000 of the transportation partnership account—state appropriation, and ((~~\$1,849,000~~) \$149,776,000 of the motor vehicle account—state appropriation are provided solely for the Fish Passage Barrier Removal project (OBI4001) with the intent of fully complying with the federal U.S. v. Washington court injunction by 2030. ((Of the amounts provided in this subsection, \$400,000,000 of the connecting Washington account state appropriation must be initially placed in unallotted status during the 2021-2023 fiscal biennium, and may only be released by the office of financial management for allotment by the department if it is determined that the Fish Passage Barrier Removal project (OBI4001) is not an eligible use of amounts received by the state pursuant to the federal American rescue plan act of 2021-))~~

(b) The department shall coordinate with the Brian Abbott fish passage barrier removal board to use a watershed approach by replacing both state and local culverts guided by the principle of providing the greatest fish habitat gain at the earliest time. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, tribal priorities, ability to leverage investments by others, presence of other barriers, project readiness, culvert conditions, other transportation projects in the area, and transportation impacts. The department and Brian Abbott fish barrier removal board must provide updates on the implementation of the statewide culvert remediation plan to the legislature by November 1, 2021, and June 1, 2022.

(c) The department must keep track of, for each barrier removed: (i) The location; (ii) the amount of fish habitat gain; and (iii) the amount spent to comply with the injunction.

(d) Of the amount provided in this subsection, \$142,923,000 of the motor vehicle account—federal appropriation reflects the department's portion of the unrestricted funds from the coronavirus response and relief supplemental appropriations act of 2021. If the final amount from this act changes while the legislature is not in session, the department shall follow the existing unanticipated receipt process and adjust the list referenced in subsection (1) of this section accordingly, supplanting state funds with federal funds if possible as directed in section 601 ~~((of this act)), chapter 333, Laws of 2021.~~

(14) ~~((~~\$14,669,000~~) \$14,367,000 of the connecting Washington account—state appropriation, \$311,000 of the motor vehicle account—state appropriation, and ((~~\$3,037,000~~) \$3,149,000 of the motor vehicle account—private/local appropriation are provided solely for the I-90/Barker to Harvard – Improve Interchanges & Local Roads project (L2000122). The connecting Washington account appropriation for the improvements that fall within the city of Liberty Lake may only be expended if the city of Liberty Lake agrees to cover any project costs within the city of Liberty Lake above the \$20,900,000 of state appropriation provided for the total project on the list referenced in subsection (1) of this section.~~

(15) ~~((~~\$15,189,000~~) \$16,984,000 of the motor vehicle account—federal appropriation, ((~~\$259,000~~) \$269,000 of the motor vehicle account—state appropriation, and ((~~\$15,481,000~~) \$17,900,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation are provided solely for the SR 167/SR 410 to SR 18 - Congestion Management project (316706C).~~

(16) ~~((~~\$18,914,000~~) \$18,915,000 of the Special Category C account—state appropriation is provided solely for the SR 18~~

Widening - Issaquah/Hobart Rd to Raging River project (L1000199) for improving and widening state route number 18 to four lanes from Issaquah-Hobart Road to Raging River.

(17) (~~(\$1,000,000)~~) \$2,500,000 of the connecting Washington account—state appropriation is provided solely for the North Lewis County transportation study. The study shall examine new, alternate routes for vehicular and truck traffic at the Harrison interchange (Exit 82) in North Centralia and shall allow for a site and configuration to be selected and feasibility to be conducted for final design, permitting, and construction of the I-5/North Lewis county Interchange project (L2000204). It is the intent of the legislature to advance future funding for this project to accelerate delivery by up to two years.

(18) (~~(\$1,090,000)~~) \$1,237,000 of the motor vehicle account—state appropriation is provided solely for the US 101/East Sequim Corridor Improvements project (L2000343).

(19) (~~(\$12,139,000)~~) \$2,197,000 of the motor vehicle account—state appropriation and (~~(\$9,104,000)~~) \$749,000 of the connecting Washington account—state appropriation are provided solely for the SR 522/Paradise Lk Rd Interchange & Widening on SR 522 (Design/Engineering) project (NPARADI).

(20) (~~(\$1,378,000)~~) \$1,455,000 of the motor vehicle account—federal appropriation is provided solely for the US 101/Morse Creek Safety Barrier project (L1000247).

(21) (~~(\$915,000)~~) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the SR 162/410 Interchange Design and Right of Way project (L1000276).

(22) (~~(\$6,581,000)~~) \$7,185,000 of the connecting Washington account—state appropriation is provided solely for the US Hwy 2 Safety project (N00200R).

(23) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's annual budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(24) Any advisory group that the department convenes during the 2021-2023 fiscal biennium must consider the interests of the entire state of Washington.

(25) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system. To accomplish Washington state's sustainability goals in transportation and in accordance with RCW 70.95.805, the legislature reaffirms its determination that recycled concrete aggregate and other transportation building materials are natural resource construction materials that are too valuable to be wasted and landfilled, and are a commodity as defined in WAC 173-350-100.

Further, the legislature determines construction aggregate and recycled concrete materials substantially meet widely recognized international, national, and local standards and specifications referenced in American society for testing and materials, American concrete institute, Washington state department of transportation, Seattle department of transportation, American public works association, federal aviation administration, and federal highway administration specifications, and are described as necessary and desirable products for recycling and reuse by state and federal agencies.

As these recyclable materials have well established markets, are substantially a primary or secondary product of necessary construction processes and production, and are managed as an item of commercial value, construction aggregate and recycled concrete materials are exempt from chapter 173-350 WAC.

(26) \$2,738,000 of the motor vehicle account—state appropriation is provided solely for the US 97 Wildlife Crossing

Improvements project (L2021117). It is the intent of the legislature that, to the extent possible, the department use this funding as match for competitive federal funding to make additional wildlife crossing improvements on the corridor. The department must report to the transportation committees of the legislature with additional corridors that could benefit from wildlife crossing improvements and that are likely to successfully compete for federal funding.

(27) \$12,635,000 of the connecting Washington account—state appropriation is provided solely for the SR 3 Freight Corridor (T30400R) project. The legislature intends to provide a total of \$78,910,000 for this project, including an increase of \$12,000,000 in future biennia to safeguard against inflation and supply/labor interruptions and ensure that:

(a) The northern terminus remains at Lake Flora Road and the southern terminus at the intersection of SR 3/SR 302;

(b) Multimodal safety improvements at the southern terminus remain in the project to provide connections to North Mason school district and provide safe routes to schools; and

(c) Intersections on the freight corridor are constructed at Romance Hill and Log Yard road.

(28) \$450,000 of the motor vehicle account—state appropriation is provided solely for the SR 900 Safety Improvements project (L2021118). The department must: (a) Work in collaboration with King county and Skyway coalition to align community assets, transportation infrastructure needs, and initial design for safety improvements along SR 900; and (b) work with the Skyway coalition to lead community planning engagement and active transportation activities.

(29) \$5,694,000 of the connecting Washington account—state appropriation is provided solely for the I-5/Chamber Way Interchange Vicinity Improvements project.

(30) \$500,000 of the motor vehicle account—state appropriation is provided solely for SR 162/SR 161 Additional Connectivity in South Pierce County project (L1000312) to conduct a study on the need for additional connectivity in the area between SR 162, south of Military Road East and north of Orting, and SR 161 in South Pierce county.

Sec. 306. 2021 c 333 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
PRESERVATION—PROGRAM P**

Recreational Vehicle Account—State	Appropriation	\$1,520,000
Transportation 2003 Account (Nickel Account)—State	Appropriation	(\$49,105,000)
		<u>\$53,911,000</u>
Transportation Partnership Account—State	Appropriation	(\$15,183,000)
		<u>\$21,441,000</u>
Motor Vehicle Account—State	Appropriation	(\$85,444,000)
		<u>\$111,174,000</u>
Motor Vehicle Account—Federal	Appropriation	(\$489,602,000)
		<u>\$545,560,000</u>
Motor Vehicle Account—Private/Local	Appropriation	(\$10,792,000)
		<u>\$13,735,000</u>
Connecting Washington Account—State	Appropriation	(\$159,043,000)
		<u>\$224,342,000</u>
State Route Number 520 Corridor	Account—State	Appropriation
		(\$1,891,000)
		<u>\$2,143,000</u>
Tacoma Narrows Toll Bridge	Account—State	Appropriation
		(\$9,730,000)

	<u>\$5,676,000</u>
Alaskan Way Viaduct Replacement Project Account—State Appropriation	((\$314,000))
	<u>\$391,000</u>
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	((\$26,039,000))
	<u>\$12,830,000</u>
TOTAL APPROPRIATION	((\$848,663,000))
	<u>\$992,723,000</u>

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

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((~~2021-4~~)) 2022-1 as developed ((~~April 23, 2021~~)) March 9, 2022, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 ((~~of this act~~)), chapter 333, Laws of 2021.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((~~2021-2~~)) 2022-2 ALL PROJECTS as developed ((~~April 23, 2021~~)) March 9, 2022, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, or the federal funds redistribution process must then be applied to highway and bridge preservation activities or fish passage barrier corrections (OB14001), as long as the application of the funds is not inconsistent with subsection (10) of this section.

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) ((~~\$5,166,000~~)) \$8,531,000 of the connecting Washington account—state appropriation is provided solely for the land mobile radio upgrade (G2000055) and is subject to the conditions, limitations, and review provided in section 701 ((~~of this act~~)), chapter 333, Laws of 2021. The land mobile radio project is subject to technical oversight by the office of the chief information officer. The department, in collaboration with the office of the chief information officer, shall identify where existing or proposed mobile radio technology investments should be consolidated, identify when existing or proposed mobile radio technology investments can be reused or leveraged to meet multiagency needs, increase mobile radio interoperability between agencies, and identify how redundant investments can be reduced over time. The department shall also provide quarterly reports to the technology services board on project progress.

(5) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund (L2000290). The amount provided in this subsection must be held in unallotted status until the department submits a request to the

office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR 99/Alaskan Way viaduct replacement project (809936Z).

(6) \$11,679,000 of the motor vehicle account—federal appropriation is provided solely for preservation projects within project L1100071 that ensure the reliable movement of freight on the national highway freight system. The department shall give priority to those projects that can be advertised by September 30, 2021.

(7) The appropriation in this section includes funding for starting planning, engineering, and construction of the Elwha River bridge replacement. To the greatest extent practicable, the department shall maintain public access on the existing route.

(8) Within the connecting Washington account—state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the LEAP transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

(9) \$1,700,000 of the motor vehicle account—state appropriation is provided solely for the SR 109/88 Corner Roadway project (G2000106).

Sec. 307. 2021 c 333 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State Appropriation	((\$8,273,000))
	<u>\$9,618,000</u>
Motor Vehicle Account—Federal Appropriation	((\$5,289,000))
	<u>\$11,215,000</u>
Motor Vehicle Account—Private/Local Appropriation	\$500,000
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	\$900,000
TOTAL APPROPRIATION	((\$14,962,000))
	<u>\$22,233,000</u>

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

(1) \$579,000 of the motor vehicle account—state appropriation is provided solely for the SR 99 Aurora Bridge ITS project (L2000338).

(2) ((~~\$1,000,000~~)) \$1,001,000 of the motor vehicle account—state appropriation ((~~is~~)) and \$2,060,000 of the motor vehicle account—federal appropriation are provided solely for the Challenge Seattle project (000009Q). The department shall provide a progress report on this project to the transportation committees of the legislature by January 15, 2022.

Sec. 308. 2021 c 333 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction Account—State Appropriation	((\$128,759,000))
	<u>\$167,533,000</u>
Puget Sound Capital Construction Account—Federal Appropriation	((\$139,188,000))

	<u>\$180,571,000</u>
Puget Sound Capital Construction Account—Private/Local Appropriation	((\$312,000))
	<u>\$2,181,000</u>
Transportation Partnership Account—State Appropriation	((\$8,410,000))
	<u>\$9,432,000</u>
Connecting Washington Account—State Appropriation	((\$75,640,000))
	<u>\$99,141,000</u>
Capital Vessel Replacement Account—State Appropriation	((\$152,453,000))
	<u>\$45,668,000</u>
<u>Motor Vehicle Account—State Appropriation</u>	<u>\$1,000</u>
<u>Transportation 2003 Account (Nickel Account)—State Appropriation</u>	<u>\$987,000</u>
TOTAL APPROPRIATION	((\$504,762,000))
	<u>\$505,514,000</u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document ((2021-2)) 2022-2 ALL PROJECTS as developed ((April 23, 2021)) March 9, 2022, Program - Washington State Ferries Capital Program (W).

(2) For the 2021-2023 biennium, the marine division shall provide to the office of financial management and the legislative transportation committees the following reports on ferry capital projects:

(a) On a semiannual basis the report must include a status update on projects with funding provided in subsections (4), (5), (6), and (8) of this section including, but not limited to, the following:

- (i) Anticipated cost increases and cost savings;
- (ii) Anticipated cash flow and schedule changes; and
- (iii) Explanations for the changes.

(b) On an annual basis the report must include a status update on vessel and terminal preservation and improvement plans including, but not limited to, the following:

- (i) What work has been done;
- (ii) How have schedules shifted; and
- (iii) Associated changes in funding among projects, accompanied by explanations for the changes.

(c) On an annual basis the report must include an update on the implementation of the maintenance management system with recommendations for using the system to improve the efficiency of project reporting under this subsection.

(3) ((~~\$5,000,000~~)) \$12,232,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(4) ((~~\$1,277,000~~)) \$2,385,000 of the Puget Sound capital construction account—state appropriation is provided solely for the ORCA card next generation project (L2000300). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(5) ((~~\$24,750,000~~)) \$28,134,000 of the Puget Sound capital construction account—state appropriation is provided solely for the conversion of up to two Jumbo Mark II vessels to electric hybrid propulsion (G2000084). The department shall seek additional funds for the purposes of this subsection. The department may spend from the Puget Sound capital construction account—state appropriation in this section only as much as the department receives in Volkswagen settlement funds for the

purposes of this subsection.

(6) ((~~\$152,453,000~~)) \$45,668,000 of the capital vessel replacement account—state appropriation is provided solely for the acquisition of a 144-car hybrid-electric vessel (L2000329). In 2019 the legislature amended RCW 47.60.810 to direct the department to modify an existing vessel construction contract to provide for an additional five ferries. As such, it is the intent of the legislature that the department award the contract for the hybrid electric Olympic class vessel #5(L2000329) in a timely manner. In addition, the legislature intends to minimize costs and maximize construction efficiency by providing sufficient funding for construction of all five vessels, including funding for long lead time materials procured at the lowest possible prices. The commencement of construction of new vessels for the ferry system is important not only for safety reasons, but also to keep skilled marine construction jobs in the Puget Sound region and to sustain the capacity of the region to meet the ongoing construction and preservation needs of the ferry system fleet of vessels. The legislature has determined that the current vessel procurement process must move forward with all due speed, balancing the interests of both the taxpayers and shipyards. To accomplish construction of vessels in accordance with RCW 47.60.810, the prevailing shipbuilder, for vessels initially funded after July 1, 2020, is encouraged to follow the historical practice of subcontracting the construction of ferry superstructures to a separate nonaffiliated contractor located within the Puget Sound region, that is qualified in accordance with RCW 47.60.690. If the department elects not to execute a new modification to an existing option contract for one or more additional 144-auto ferries under RCW 47.60.810(4), the department shall proceed with development of a new design-build request for proposals in accordance with RCW 47.60.810, 47.60.812, 47.60.814, 47.60.815, 47.60.816, 47.60.818, 47.60.820, 47.60.822, 47.60.824, and 47.60.8241. Of the amounts provided in this section, \$200,000 is provided solely for hiring an independent owner's representative to perform quality oversight, manage the change order process, and ensure contract compliance.

(7) The capital vessel replacement account—state appropriation includes up to ((~~\$152,453,000~~)) \$45,468,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(8) \$4,200,000 of the connecting Washington account—state appropriation ((and ~~\$2,200,000~~ of the Puget Sound operating account [Puget Sound capital construction account] federal appropriation are)) is provided solely for ferry vessel and terminal preservation (L2000110). The funds provided in this subsection must be used for unplanned preservation needs before shifting funding from other preservation projects.

Sec. 309. 2021 c 333 s 310 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL

Essential Rail Assistance Account—State Appropriation	((\$550,000))
	<u>\$1,108,000</u>
Transportation Infrastructure Account—State Appropriation	((\$5,456,000))
	<u>\$6,218,000</u>
Multimodal Transportation Account—State Appropriation	((\$82,493,000))
	<u>\$118,320,000</u>
Multimodal Transportation Account—Federal Appropriation	((\$41,219,000))
	<u>\$6,567,000</u>
<u>Multimodal Transportation Account—Private/Local Appropriation</u>	<u>\$13,000</u>
<u>Motor Vehicle Account—State Appropriation</u>	<u>\$1,810,000</u>

TOTAL APPROPRIATION ~~(\$129,718,000)~~
\$134,036,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document (~~(2021-2)~~) 2022-2 ALL PROJECTS as developed (~~(April 23, 2021)~~) March 9, 2022, Program - Rail Program (Y).

(2) \$5,089,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued. FRIB program loans may be recommended by the department for 2022 supplemental transportation appropriations up to the amount provided in this appropriation that has not been provided for the projects listed in 2021-2 ALL PROJECTS, as referenced in subsection (1) of this section. The department shall submit a prioritized list for any loans recommended to the office of financial management and the transportation committees of the legislature by November 15, 2021.

(3) (~~(\$6,817,000)~~) \$7,041,000 of the multimodal transportation account—state appropriation is provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(4) \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

(5)(a) (~~(\$550,000)~~) \$1,008,000 of the essential rail assistance account—state appropriation is provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues and transfers deposited into the essential rail assistance account from leases and sale of property relating to the Palouse river and Coulee City railroad;

(ii) Revenues from trackage rights agreement fees paid by shippers; and

(iii) Revenues and transfers transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2022, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(7) (~~(\$33,964,000)~~) \$32,996,000 of the multimodal transportation account—state appropriation (~~(and \$37,500,000 of the multimodal transportation account—federal appropriation are)~~) is provided solely for Passenger Rail Equipment Replacement (project (~~(700010C-))~~) 700010C. The (~~(appropriations)~~) appropriation in this subsection include insurance proceeds received by the state. The department must use these funds only to purchase replacement equipment that has been competitively procured and for service recovery needs and corrective actions related to the December 2017 derailment.

(8) (~~(\$223,000 of the multimodal transportation account—state appropriation is provided solely for contingency funding for emergent freight rail assistance projects funded in subsection (3) of this section. Project sponsors may apply to the department for contingency funds needed due to unforeseeable cost increases. The department shall submit a report of any contingency funds provided under this subsection as part of the department's annual budget submittal.~~)

(9)) It is the intent of the legislature to encourage the department to pursue federal grant opportunities leveraging up to \$6,696,000 in connecting Washington programmed funds to be used as a state match to improve the state-owned Palouse river and Coulee City system. The amount listed in this subsection is not a commitment for future legislatures, but is the legislature's intent that future legislatures will work to approve biennial appropriations up to a state match share not to exceed \$6,696,000 of a grant award.

(9) \$500,000 of the multimodal transportation account—state appropriation is provided solely for the Chelatchie Prairie railroad for track improvement activities on the northern part of the railroad (L1000311).

Sec. 310. 2021 c 333 s 311 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL

Highway Infrastructure Account—State	Appropriation	(\$793,000)
		<u>\$1,744,000</u>
Highway Infrastructure Account—Federal	Appropriation	(\$1,600,000)
		<u>\$2,935,000</u>
Transportation Partnership Account—State	Appropriation	(\$750,000)
		<u>\$1,000,000</u>
Motor Vehicle Account—State	Appropriation	(\$11,064,000)
		<u>\$25,101,000</u>
Motor Vehicle Account—Federal	Appropriation	(\$55,751,000)
		<u>\$79,306,000</u>
Motor Vehicle Account—Private/Local	Appropriation	\$6,600,000
Connecting Washington Account—State	Appropriation	(\$123,292,000)
		<u>\$178,464,000</u>
Multimodal Transportation Account—State	Appropriation	(\$71,615,000)
		<u>\$96,975,000</u>
TOTAL APPROPRIATION		(\$271,465,000)

\$392,125,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ~~((2021-2))~~ 2022-2 ALL PROJECTS as developed ~~((April 23, 2021))~~ March 9, 2022, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) ~~((\$32,613,000))~~ (i) \$46,163,000 of the multimodal transportation account—state appropriation is provided solely for pedestrian and bicycle safety program projects (L2000188).

(ii) The state route 99/Aurora Avenue North Planning Study funded in this subsection (2)(a) must prioritize designs that ensure slow vehicle speeds and systematic improvement to the quality of multimodal access, and must be fully completed by September 30, 2023, in order to ensure construction of improvements begin no later than March 1, 2024.

(b) ~~((\$19,344,000))~~ \$26,086,000 of the motor vehicle account—federal appropriation and ~~((\$17,397,000))~~ \$21,656,000 of the multimodal transportation account—state appropriation are provided solely for safe routes to school projects (L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2021, and December 1, 2022, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status. In its December 1, 2021, report the department must also include recommended changes to the pedestrian safety/safe routes to school grant program application and selection processes to increase utilization by a greater diversity of jurisdictions.

(4) ~~((\$6,561,000))~~ \$11,987,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document referenced in subsection (1) of this section.

(5) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for \$7,000,000 in federal funds during the 2021-2023 fiscal biennium.

(6) ~~((\$12,500,000))~~ \$17,438,000 of the motor vehicle account—federal appropriation is provided solely for national highway freight network projects identified on the project list submitted in accordance with section 218(4)(b), chapter 14, Laws of 2016 on October 31, 2016 (L1000169).

(7) When the department updates its federally-compliant freight plan, it shall consult the freight mobility strategic investment board on the freight plan update and on the investment plan component that describes how the estimated funding allocation for the national highway freight program for federal fiscal years 2022-2025 will be invested and matched. The investment plan component for the state portion of national highway freight program funds must first address shortfalls in funding for connecting Washington act projects. The department shall complete the freight plan update in compliance with federal

requirements and deadlines and shall provide an update on the development of the freight plan, including the investment plan component, when submitting its 2022 supplemental appropriations request.

(8) ~~((\$11,679,000))~~ \$35,411,000 of the motor vehicle account—federal appropriation is provided solely for acceleration of local preservation projects that ensure the reliable movement of freight on the national highway freight system (G2000100). The department will identify projects through its current national highway system asset management call for projects with applications due in February 2021. The department shall give priority to those projects that can be obligated by September 30, 2021.

(9) \$400,000 of the multimodal transportation account—state appropriation is provided solely for a grant to the Northwest Seaport Alliance (NWSA) to lead the creation and coordination of a multistakeholder zero emissions truck collaborative that will: (a) Facilitate the development and implementation of one or more zero-emissions drayage truck demonstration projects in Washington state; and (b) develop a roadmap for transitioning the entire fleet of approximately 4,500 drayage trucks that serve the NWSA cargo gateway to zero-emissions vehicles by 2050 or sooner.

(10) \$8,524,000 of the connecting Washington account—state appropriation is provided solely for the I-5/Mellen Street Connector project.

(11) \$500,000 of the motor vehicle account—state appropriation is provided solely for the 166th/SR 410 Interchange.

(12) \$1,063,000 of the motor vehicle account—state appropriation is provided solely for repairs and rehabilitation of the Pierce county ferry landings at Anderson Island and Steilacoom.

(13) \$300,000 of the motor vehicle account—state appropriation is provided solely for the city of Spokane for preliminary engineering of the US 195/Inland Empire Way project. Funds may be used for predesign environmental assessment work, community engagement, design, and project cost estimation.

Sec. 311. 2021 c 333 s 313 (uncodified) is amended to read as follows:

QUARTERLY REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

On a quarterly basis, the department of transportation shall provide to the office of financial management and the legislative transportation committees a report for all capital projects, except for ferry projects subject to the reporting requirements established in section 309 ~~((of this act))~~, chapter 333, Laws of 2021, that must include:

(1) A TEIS version containing actual capital expenditures for all projects consistent with the structure of the most recently enacted budget;

(2) Anticipated cost savings, cost increases, reappropriations, and schedule adjustments for all projects consistent with the structure of the most recently enacted budget;

(3) The award amount, the engineer's estimate, and the number of bidders for all active projects consistent with the structure of the most recently enacted budget; and

(4) Risk reserves and contingency amounts for all projects consistent with the structure of the most recently enacted budget.

NEW SECTION. Sec. 312. A new section is added to 2021 c 333 (uncodified) to read as follows: **FOR THE WASHINGTON STATE DEPARTMENT OF TRANSPORTATION—FUNDS MANAGEMENT**

(1) As part of the department of transportation's 2023-2025 biennial budget request, the department shall provide an overview

Account—State \$30,293,000

(b) It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the impact of toll increases. An equivalent reimbursing transfer is to occur after the debt service and deferred sales tax on the Tacoma Narrows bridge construction costs are fully repaid in accordance with chapter 195, Laws of 2018.

(4)(a) Motor Vehicle Account—State Appropriation: For transfer to Alaskan Way Viaduct Replacement Project Account—State \$6,000,000

(b) The funds provided in (a) of this subsection are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when traffic on the toll facility has recovered from the COVID-19 pandemic.

(5) Motor Vehicle Account—State Appropriation: For transfer to the County Arterial Preservation Account—State \$7,666,000

(6) Motor Vehicle Account—State Appropriation: For transfer to the Freight Mobility Investment Account—State \$5,511,000

(7) Motor Vehicle Account—State Appropriation: For transfer to the Rural Arterial Trust Account—State \$9,331,000

(8) Motor Vehicle Account—State Appropriation: For transfer to the Transportation Improvement Account—State \$9,688,000

(9) Rural Mobility Grant Program Account—State Appropriation: For transfer to the Multimodal Transportation Account—State \$3,000,000

(10)(a) State Route Number 520 Civil Penalties Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$2,000,000

(b) The transfer in this subsection is to repay moneys loaned to the state route number 520 civil penalties account in the 2019-2021 fiscal biennium.

(11) State Route Number 520 Civil Penalties Account—State Appropriation: For transfer to the State Route Number 520 Corridor Account—State \$1,532,000

(12) Capital Vessel Replacement Account—State Appropriation: For transfer to the Connecting Washington Account—State \$35,000,000

(13)(a) Capital Vessel Replacement Account—State Appropriation: For transfer to the Transportation Partnership Account—State ~~(\$10,305,000)~~
\$1,542,000

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the Hybrid Electric Olympic Class (144-auto) Vessel #5 project (L2000329).

(14) Multimodal Transportation Account—State Appropriation: For transfer to the Complete Streets Grant Program Account—State \$14,670,000

(15) Multimodal Transportation Account—State Appropriation: For transfer to the Connecting Washington Account—State \$200,000,000

(16) Multimodal Transportation Account—State Appropriation: For transfer to the Freight Mobility Multimodal Account—State \$4,011,000

(17) Multimodal Transportation Account—State Appropriation: For transfer to the Ignition Interlock Device Revolving Account—State \$600,000

(18) Multimodal Transportation Account—State Appropriation: For transfer to the Pilotage Account—State ~~(\$1,500,000)~~
\$2,000,000

(19) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State ~~(\$60,000,000)~~
\$816,700,000

(20) Multimodal Transportation Account—State Appropriation: For transfer to the Regional Mobility Grant Program Account—State \$27,679,000

(21) Multimodal Transportation Account—State Appropriation: For transfer to the Rural Mobility Grant Program Account—State \$15,223,000

(22)(a) Alaskan Way Viaduct Replacement Project Account—State Appropriation: For transfer to the Transportation Partnership Account—State \$22,884,000

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(23) Tacoma Narrows Toll Bridge Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$950,000

(24) Puget Sound Ferry Operations Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$60,000,000

(25)(a) General Fund Account—State Appropriation: For transfer to the State Patrol Highway Account—State \$625,000

(b) The state treasurer shall transfer the funds only after receiving notification from the Washington state patrol under section 207(2) (~~of this act~~), chapter 333, Laws of 2021.

(26) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$30,000,000

(27) Multimodal Transportation Account—State Appropriation: For transfer to the I-405 and SR 167 Express Toll Lanes Account—State \$268,433,000

(28) Multimodal Transportation Account—State Appropriation: For transfer to the Move Ahead WA Account—State \$874,081,000

(29) Multimodal Transportation Account—State Appropriation: For transfer to the State Route Number 520 Corridor Account—State \$70,786,000

(30) Motor Vehicle Account—State Appropriation: For transfer to the Connecting Washington Account—State \$80,000,000

(31) Move Ahead WA Account—State Appropriation: For transfer to the Connecting Washington Account—State \$600,000,000

(32) Transportation Improvement Account—State Appropriation: For transfer to the Transportation Improvement Board Bond Retirement Account \$6,451,550

Sec. 407. 2021 c 333 s 407 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE

Toll Facility Bond Retirement Account—Federal Appropriation	\$199,129,000
Toll Facility Bond Retirement Account—State Appropriation	\$25,372,000
TOTAL APPROPRIATION	\$224,501,000

COMPENSATION

NEW SECTION. Sec. 501. A new section is added to 2021 c 333 (uncodified) to read as follows:

COLLECTIVE BARGAINING AGREEMENTS

Sections 502 through 519 of this act represent the results of the collective bargaining process from reopening the 2021-2023 contracts for the limited purpose of bargaining over compensation, and are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the

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agreements. The collective bargaining agreements contained in part V of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

Sec. 502. 2021 c 333 s 503 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—OPEIU

(1) An agreement has been reached between the governor and the office and professional employees international union local eight (OPEIU) pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium. In addition, the following positions are not subject to the furlough requirement: Bid administrator, dispatch, dispatch coordinator, and relief positions.

(2) An agreement has been reached between the governor and the office and professional employees international union local eight (OPEIU) pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 503. 2021 c 333 s 504 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—FASPAA

(1) An agreement has been reached between the governor and the ferry agents, supervisors, and project administrators association pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

(2) An agreement has been reached between the governor and the ferry agents, supervisors, and project administrators association pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 504. 2021 c 333 s 505 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—SEIU LOCAL 6

(1) An agreement has been reached between the governor and the service employees international union local 6 pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

(2) An agreement has been reached between the governor and the service employees international union local 6 pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 505. 2021 c 333 s 506 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—CARPENTERS

(1) An agreement has been reached between the governor and the Pacific Northwest regional council of carpenters pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

(2) An agreement has been reached between the governor and the Pacific Northwest regional council of carpenters pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 506. 2021 c 333 s 507 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—METAL TRADES

(1) An agreement has been reached between the governor and the Puget Sound metal trades council through an interest arbitration award pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. The arbitration award imposed and funding is provided to implement a 1.9(%) percent general wage decrease from July 1, 2021, through June 30, 2022, and exempted these employees from the furlough requirement.

(2) An agreement has been reached between the governor and the Puget Sound metal trades council pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 507. 2021 c 333 s 508 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA-UL

(1) An agreement has been reached between the governor and the marine engineers' beneficial association unlicensed engine room employees pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either wage increases or the furlough requirement.

(2) An agreement has been reached between the governor and the marine engineers' beneficial association unlicensed engine room employees pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 508. 2021 c 333 s 509 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA-L

(1) An agreement has been reached between the governor and the marine engineers' beneficial association licensed engineer officers pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either wage increases or the furlough requirement.

(2) An agreement has been reached between the governor and the marine engineers' beneficial association licensed engineer officers pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage

increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 509. 2021 c 333 s 510 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA—PORT ENGINEERS

(1) An agreement has been reached between the governor and the marine engineers' beneficial association port engineers pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

(2) An agreement has been reached between the governor and the marine engineers' beneficial association port engineers pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 510. 2021 c 333 s 511 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P MATES

(1) An agreement has been reached between the governor and the masters, mates, and pilots - mates pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes a two percent wage increase for second mates, and does not include the furlough requirement.

(2) An agreement has been reached between the governor and the masters, mates, and pilots - mates pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 511. 2021 c 333 s 512 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P MASTERS

(1) An agreement has been reached between the governor and the masters, mates, and pilots - masters pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either wage increases or the furlough requirement.

(2) An agreement has been reached between the governor and the masters, mates, and pilots - masters pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 512. 2021 c 333 s 513 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P WATCH CENTER SUPERVISORS

(1) An agreement has been reached between the governor and the masters, mates, and pilots - watch center supervisors pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs only for the following positions: Fleet facility security officers and workforce development leads.

(2) An agreement has been reached between the governor and

the masters, mates, and pilots - watch center supervisors pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 513. 2021 c 333 s 514 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—IBU

(1) An agreement has been reached between the governor and the inlandboatmen's union of the Pacific pursuant to chapter 47.64 RCW through an interest arbitration award for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include furlough days for employees in positions that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the inlandboatmen's union of the Pacific pursuant to chapter 47.64 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 514. 2021 c 333 s 515 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WFSE

(1) An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in position that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 515. 2021 c 333 s 516 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—PTE LOCAL 17

(1) An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in position that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 516. 2021 c 333 s 517 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WPEA

(1) An agreement has been reached between the governor and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for

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employees in positions that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 517. 2021 c 333 s 518 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—COALITION OF UNIONS

(1) An agreement has been reached for the 2019-2021 biennium between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes 24 furlough days for employees in position that do not require the position to be backfilled. The agreement includes and funding is provided for a 2.5 percent wage increase for fiscal year 2022 and a 2.5 percent wage increase for fiscal year 2023 for the department of corrections marine vessel operators.

(2) An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 518. 2021 c 333 s 519 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

(1) An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include general wages increases but does provide the ability to request to reopen the compensation article for the purpose of bargaining base rate of pay for fiscal year 2023.

(2) An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 10 percent for fiscal year 2023.

Sec. 519. 2021 c 333 s 520 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS AND CAPTAINS ASSOCIATION

(1) An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include general wages increases but does provide the ability to request to reopen the compensation article for the purpose of bargaining base rate of pay for fiscal year 2023.

(2) An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 10 percent for fiscal year 2023.

Sec. 520. 2021 c 333 s 521 (uncodified) is amended to read as follows:

COMPENSATION—REPRESENTED EMPLOYEES—HEALTH CARE—COALITION—INSURANCE BENEFITS

An agreement was reached for the 2021-2023 biennium

between the governor and the health care coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2021-2023 collective bargaining agreement, which maintains the provisions of the 2019-2021 agreement, and are subject to the following conditions and limitations:

The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate shall not exceed ~~((~~\$1094~~))~~ \$1,130 per eligible employee.

The board shall collect a \$25 per month surcharge payment from members who use tobacco products and a surcharge payment of not less than \$50 per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment if directed by the legislature.

Sec. 521. 2021 c 333 s 522 (uncodified) is amended to read as follows:

COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE HEALTH CARE COALITION—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the coalition for health benefits, and are subject to the following conditions and limitations: The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate may not exceed ~~((~~\$1094~~))~~ \$1,130 per eligible employee.

Sec. 522. 2021 c 333 s 523 (uncodified) is amended to read as follows:

COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations: The employer monthly funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate shall not exceed ~~((~~\$1094~~))~~ \$1,130 per eligible employee.

NEW SECTION. **Sec. 523.** A new section is added to 2021 c 333 (uncodified) to read as follows: **GENERAL WAGE INCREASES**

(1) Appropriations for state agency employee compensation in this act are sufficient to provide general wage increases to state agency employees who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or RCW 41.56.475.

(2) Funding is provided for a 3.25 percent salary increase effective July 1, 2022, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a 3.25 percent salary increase effective July 1, 2022 for executive, legislative, and

judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries of elected officials.

NEW SECTION. Sec. 524. A new section is added to 2021 c 333 (uncodified) to read as follows:

COMPENSATION—PENSION CONTRIBUTIONS

Appropriations to state agencies include funding for an increase in pension contribution rates for several state pension systems as provided in this section.

(1) An increase of 0.14 percent is funded for state employer contributions to the public employees' retirement system, the public safety employees' retirement systems, and the school employees' retirement system. An increase of 0.27 percent for employer contributions to the teachers' retirement system is funded. These increases are provided for the purpose of a one-time, ongoing pension increase for retirees in the public employees' retirement system plan 1 and teachers' retirement system plan 1, as provided in Senate Bill No. 5676 (providing a benefit increase to certain retirees of the public employees' retirement system plan 1 and the teachers' retirement system plan 1). If Senate Bill No. 5676 is not enacted by June 30, 2022, this subsection lapses.

(2) An increase of 0.10 percent is funded for state employer contributions to the public safety employees' retirement system. These increases are provided for the cost to provide an enhanced disability benefit to members of this system who experience a qualifying catastrophic disability on the job, as provided in House Bill No. 1669 (PSERS disability benefits). If House Bill No. 1669 is not enacted by June 30, 2022, this subsection lapses.

NEW SECTION. Sec. 525. The following acts or parts of acts are each repealed:

- (1) 2021 c 333 s 526 (uncodified);
- (2) 2021 c 333 s 527 (uncodified);
- (3) 2021 c 333 s 528 (uncodified);
- (4) 2021 c 333 s 529 (uncodified);
- (5) 2021 c 333 s 530 (uncodified);
- (6) 2021 c 333 s 531 (uncodified);
- (7) 2021 c 333 s 532 (uncodified);
- (8) 2021 c 333 s 533 (uncodified);
- (9) 2021 c 333 s 534 (uncodified);
- (10) 2021 c 333 s 535 (uncodified);
- (11) 2021 c 333 s 536 (uncodified); and
- (12) 2021 c 333 s 537 (uncodified).

IMPLEMENTING PROVISIONS

Sec. 601. 2021 c 333 s 601 (uncodified) is amended to read as follows:

MANAGEMENT OF TRANSPORTATION FUNDS WHEN THE LEGISLATURE IS NOT IN SESSION

(1) The 2005 transportation partnership projects or improvements and 2015 connecting Washington projects or improvements are listed in the LEAP Transportation Document ((~~2021-1~~) 2022-1 as developed ((~~April 23, 2021~~) March 9, 2022, which consists of a list of specific projects by fund source and amount over a sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a sixteen-year plan. The department of transportation is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and connecting Washington account projects on the LEAP transportation document referenced in this subsection. For the 2021-2023 project appropriations, unless otherwise provided in this act, the director of the office of financial management may provide written authorization for a transfer of appropriation authority between projects funded with transportation partnership account appropriations or connecting Washington account appropriations

to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed in the current fiscal biennium;

(d) Transfers may not occur for projects not identified on the applicable project list;

(e) Transfers to a project may not occur if that project is a programmatic funding item described in broad general terms on the applicable project list without referencing a specific state route number;

(f) Transfers may not be made while the legislature is in session;

(g) Transfers to a project may not be made with funds designated as attributable to practical design savings as described in RCW 47.01.480;

(h) Except for transfers made under (l) of this subsection, transfers may only be made in fiscal year 2023;

(i) The total amount of transfers under this section may not exceed \$50,000,000;

(j) Except as otherwise provided in (l) of this subsection, transfers made to a single project may not cumulatively total more than \$20,000,000 per biennium;

(k) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature; and

(l) Transfers between projects may be made by the department of transportation without the formal written approval provided under this subsection (1), provided that the transfer amount to a single project does not exceed two hundred fifty thousand dollars or ten percent of the total project per biennium, whichever is less. These transfers must be reported quarterly to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees.

(2) The department of transportation must submit quarterly all transfers authorized under this section in the transportation executive information system. The office of financial management must maintain a legislative baseline project list identified in the LEAP transportation documents referenced in this act, and update that project list with all authorized transfers under this section, including any effects to the total project budgets and schedules beyond the current biennium.

(3) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the chairs and ranking members of the transportation committees of the legislature.

(4) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner and address any concerns raised by the chairs and ranking members of the transportation committees.

(5) No fewer than ten days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the department of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

(6) The department must submit annually as part of its budget submittal a report detailing all transfers made pursuant to this section, including any effects to the total project budgets and

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schedules beyond the current biennium.

(7)(a) If the department of transportation receives federal funding not appropriated in this act, the department shall apply such funds to any of the following activities in lieu of state funds, if compliant with federal funding restrictions, and in the order that most reduces administrative burden and minimizes the use of bond proceeds:

(i) Projects on LEAP Transportation Document (~~(2021-2)~~) 2022-2 ALL PROJECTS as developed (~~(April 23, 2021)~~) March 9, 2022; or

(ii) Other department of transportation operating or capital expenditures funded by appropriations from state accounts in this act.

(b) However, if the funds received may not be used for any of the purposes enumerated in this section and must be obligated before the next regular legislative session, then the department may program the funds for other transportation-related activities, provided that these actions do not initiate any new programs, policies, or expenditure levels requiring additional one-time or ongoing state funds that have not been expressly authorized by the legislature. The department shall follow the existing unanticipated receipt process to notify the legislative standing committees on transportation and the office of financial management of the amount of federal funds received in addition to those appropriated in this act and the projects or activities receiving funding through this process.

Sec. 602. 2021 c 333 s 606 (uncodified) is amended to read as follows:

TRANSIT, BICYCLE, AND PEDESTRIAN ELEMENTS REPORTING

(1) By November 15th of each year, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in LEAP Transportation Document (~~(2021-2)~~) 2022-2 ALL PROJECTS as developed (~~(April 23, 2021)~~) March 9, 2022. The report must address each modal category separately and identify if eighteenth amendment protected funds have been used and, if not, the source of funding.

(2) To facilitate the report in subsection (1) of this section, the department of transportation must require that all bids on connecting Washington projects include an estimate on the cost to implement any transit, bicycle, or pedestrian project elements.

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Sec. 701. 2021 c 333 s 701 (uncodified) is amended to read as follows:

INFORMATION TECHNOLOGY OVERSIGHT

(1) Agencies must apply to the office of financial management and the office of the state chief information officer for approval before beginning a project or proceeding with each discrete stage of a project subject to this section. At each stage, the office of the state chief information officer must certify that the project has an approved technology budget and investment plan, complies with state information technology and security requirements, and other policies defined by the office of the state chief information officer. The office of financial management must notify the fiscal committees of the legislature of the receipt of each application and may not approve a funding request for ten business days from the date of notification.

(2)(a) Each project must have a technology budget. The technology budget must have the detail by fiscal month for the 2021-2023 fiscal biennium. The technology budget must use a method similar to the state capital budget, identifying project costs, each fund source, and anticipated deliverables through each stage of the entire project investment and across fiscal periods and

biennia from project onset through implementation and close out, as well as at least five years of maintenance and operations costs.

(b) As part of the development of a technology budget and at each request for funding, the agency shall submit an updated technology budget, if changes occurred, to include detailed financial information to the office of financial management and the office of the chief information officer. The technology budget must describe the total cost of the project, as well as maintenance and operations costs, to include and identify at least:

- (i) Fund sources;
- (ii) Full time equivalent staffing level to include job classification assumptions;
- (iii) Discrete financial budget codes to include at least the appropriation index and program index;
- (iv) Object and subobject codes of expenditures;
- (v) Anticipated deliverables;
- (vi) Historical budget and expenditure detail by fiscal year; and
- (vii) Maintenance and operations costs by fiscal year for at least five years as a separate worksheet.

(c) If a project technology budget changes and a revised technology budget is completed, a comparison of the revised technology budget to the last approved technology budget must be posted to the dashboard, to include a narrative rationale on what changed, why, and how that impacts the project in scope, budget, and schedule.

(3)(a) Each project must have an investment plan that includes:

- (i) An organizational chart of the project management team that identifies team members and their roles and responsibilities;
- (ii) The office of the chief information officer staff assigned to the project;
- (iii) An implementation schedule covering activities, critical milestones, and deliverables at each stage of the project for the life of the project at each agency affected by the project;
- (iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product;
- (v) Ongoing maintenance and operations cost of the project post implementation and close out delineated by agency staffing, contracted staffing, and service level agreements; and
- (vi) Financial budget coding to include at least discrete financial coding for the project.

(4) Projects with estimated costs greater than \$100,000,000 from initiation to completion and implementation may be divided into discrete subprojects as determined by the office of the state chief information officer. Each subproject must have a technology budget and investment plan as provided in this section.

(5)(a) The office of the chief information officer shall maintain an information technology project dashboard that provides updated information each fiscal month on projects subject to this section. This includes, at least:

- (i) Project changes each fiscal month;
- (ii) Noting if the project has a completed market requirements document, and when it was completed;
- (iii) Financial status of information technology projects under oversight;
- (iv) Coordination with agencies;
- (v) Monthly quality assurance reports, if applicable;
- (vi) Monthly office of the chief information officer status reports;
- (vii) Historical project budget and expenditures through fiscal year 2021;
- (viii) Budget and expenditures each fiscal month;
- (ix) Estimated annual maintenance and operations costs by fiscal year; and

(x) Posting monthly project status assessments on scope, schedule, budget, and overall by the:

- (A) Office of the chief information officer;
 - (B) Agency project team; and
 - (C) Quality assurance vendor, if applicable to the project.
- (b) The dashboard must retain a roll up of the entire project cost, including all subprojects, that can display subproject detail. This includes coalition projects that are active.
- (6) If the project affects more than one agency:
- (a) A separate technology budget and investment plan must be prepared for each agency; and
 - (b) The dashboard must contain a statewide project technology budget roll up that includes each affected agency at the subproject level.
- (7) For any project that exceeds \$2,000,000 in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:
- (a) Quality assurance for the project must report independently to the office of the chief information officer;
 - (b) The office of the chief information officer must review, and, if necessary, revise the proposed project to ensure it is flexible and adaptable to advances in technology;
 - (c) The technology budget must specifically identify the uses of any financing proceeds. No more than 30 percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;
 - (d) The agency must consult with the office of the state treasurer during the competitive procurement process to evaluate early in the process whether products and services to be solicited and the responsive bids from a solicitation may be financed; and
 - (e) The agency must consult with the contracting division of the department of enterprise services for a review of all contracts and agreements related to the project's information technology procurements.
- (8) The office of the chief information officer must evaluate the project at each stage and certify whether the project is planned, managed, and meeting deliverable targets as defined in the project's approved technology budget and investment plan.
- (9) The office of the chief information officer may suspend or terminate a project at any time if it determines that the project is not meeting or not expected to meet anticipated performance and technology outcomes. Once suspension or termination occurs, the agency shall unallot any unused funding and shall not make any expenditure for the project without the approval of the office of financial management. The office of the chief information officer must report on July 1st and December 1st each calendar year any suspension or termination of a project in the previous six-month period to the legislative fiscal committees.
- (10) The office of the chief information officer, in consultation with the office of financial management, may identify additional projects to be subject to this section, including projects that are not separately identified within an agency budget. The office of the chief information officer must report on July 1st and December 1st each calendar year any additional projects to be subjected to this section that were identified in the previous six-month period to the legislative fiscal committees.
- (11) The following transportation projects are subject to the conditions, limitations, and review provided in this section:
- (a) For the Washington state patrol: Aerial criminal investigation tools;
 - (b) For the department of licensing: Website accessibility and usability; and
 - (c) For the department of transportation: Maintenance management system, land mobile radio system replacement(~~new esc system and operator~~), PROPEL – WSDOT support of one Washington, and capital systems replacement.

~~new esc system and operator~~), PROPEL – WSDOT support of one Washington, and capital systems replacement.

Sec. 702. RCW 47.01.071 and 2016 c 35 s 1 are each amended to read as follows:

The transportation commission shall have the following functions, powers, and duties:

- (1) To propose policies to be adopted by the governor and the legislature designed to assure the development and maintenance of a comprehensive and balanced statewide transportation system which will meet the needs of the people of this state for safe and efficient transportation services. Wherever appropriate, the policies shall provide for the use of integrated, intermodal transportation systems. The policies must be aligned with the goals established in RCW 47.04.280. To this end the commission shall:
 - (a) Develop transportation policies which are based on the policies, goals, and objectives expressed and inherent in existing state laws;
 - (b) Inventory the adopted policies, goals, and objectives of the local and area-wide governmental bodies of the state and define the role of the state, regional, and local governments in determining transportation policies, in transportation planning, and in implementing the state transportation plan;
 - (c) Establish a procedure for review and revision of the state transportation policy and for submission of proposed changes to the governor and the legislature; and
 - (d) Integrate the statewide transportation plan with the needs of the elderly and persons with disabilities, and coordinate federal and state programs directed at assisting local governments to answer such needs;
- (2) To provide for the effective coordination of state transportation planning with national transportation policy, state and local land use policies, and local and regional transportation plans and programs;
- (3) In conjunction with the provisions under RCW 47.01.075, to provide for public involvement in transportation designed to elicit the public's views both with respect to adequate transportation services and appropriate means of minimizing adverse social, economic, environmental, and energy impact of transportation programs;
- (4) By December 2010, to prepare a comprehensive and balanced statewide transportation plan consistent with the state's growth management goals and based on the transportation policy goals provided under RCW 47.04.280 and applicable state and federal laws. The plan must reflect the priorities of government developed by the office of financial management and address regional needs, including multimodal transportation planning. The plan must, at a minimum: (a) Establish a vision for the development of the statewide transportation system; (b) identify significant statewide transportation policy issues; and (c) recommend statewide transportation policies and strategies to the legislature to fulfill the requirements of subsection (1) of this section. The plan must be the product of an ongoing process that involves representatives of significant transportation interests and the general public from across the state. Every four years, except during the 2021-2023 fiscal biennium, the plan shall be reviewed and revised, and submitted to the governor and the house of representatives and senate standing committees on transportation. The plan shall take into account federal law and regulations relating to the planning, construction, and operation of transportation facilities;
- (5) To propose to the governor and the legislature prior to the convening of each regular session held in an odd-numbered year a recommended budget for the operations of the commission as required by RCW 47.01.061;
- (6) To adopt such rules as may be necessary to carry out

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reasonably and properly those functions expressly vested in the commission by statute;

(7) To contract with the office of financial management or other appropriate state agencies for administrative support, accounting services, computer services, and other support services necessary to carry out its other statutory duties;

(8) To conduct transportation-related studies and policy analysis to the extent directed by the legislature or governor in the biennial transportation budget act, or as otherwise provided in law, and subject to the availability of amounts appropriated for this specific purpose; and

(9) To exercise such other specific powers and duties as may be vested in the transportation commission by this or any other provision of law.

Sec. 703. RCW 46.01.385 and 2021 c 32 s 2 are each amended to read as follows:

The agency financial transaction account is created in the state treasury. Receipts directed by law to the account from cost recovery charges for credit card and other financial transaction fees must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for paying credit card and financial transaction fees, and other related costs incurred by state agencies. During the 2021-2023 fiscal biennium, expenditures from the account may also be used for additional information technology costs related to supporting the department of licensing operations and addressing its staffing shortages.

Sec. 704. RCW 47.01.505 and 2017 c 288 s 4 are each amended to read as follows:

(1) On behalf of the state, the legislature of the state of Washington invites the legislature of the state of Oregon to participate in a joint legislative action committee regarding the construction of a new Interstate 5 bridge spanning the Columbia river that achieves the following purposes:

(a) Works with both states' departments of transportation and transportation commissions and stakeholders to begin a process toward project development. It is assumed that the appropriate local and bistate entities already tasked with related work will also be included when the legislative and interagency agreements are ready to move forward. The legislative action committee must convene its first meeting by December 15, 2017;

(b) Reviews and confirms lead roles related to permitting, construction, operation, and maintenance of a future Interstate 5 bridge project;

(c) Establishes a process to seek public comment on the Interstate 5 bridge project development plan selected and presents final recommendations for the process and financing to both states;

(d) Works to ensure that there are sufficient resources available to both states' departments of transportation to inventory and utilize existing data and any prior relevant work to allow for nonduplicative and efficient decision making regarding a new project;

(e) Examines all of the potential mass transit options available for a future Interstate 5 bridge project;

(f) Utilizes design-build procurement, or an equivalent or better innovation delivery method, and determines the least costly, most efficient project management and best practices tools consistent with work already completed including, but not limited to, height, navigation needs, transparency, economic development, and other critical elements, while minimizing the impacts of congestion during construction;

(g) Considers the creation of a Columbia river bridge authority to review bridge needs for possible repair, maintenance, or new construction, prioritizing those needs and making

recommendations to both states with regard to financing specific projects, timing, authorities, and operations; and

(h) Provides a report to the legislatures of each state that details the findings and recommendations of the legislative action committee by December 15, 2018. The report must also contain a recommendation as to whether the Interstate 5 project should be designated by the legislature of the state of Washington as a project of statewide significance and by the state of Oregon with an equivalent designation.

(2)(a) The joint Oregon-Washington legislative action committee is established, with sixteen members as provided in this subsection:

(i) The speaker and minority leader of the house of representatives of each state shall jointly appoint four members, two from each of the two largest caucuses of their state's house of representatives.

(ii) The majority leader and minority leader of the senate of each state shall jointly appoint four members, two from each of the two largest caucuses of their state's senate.

(b) The legislative action committee shall choose its cochairs from among its membership, one each from the senate and the house of representatives of both states.

(c) Executive agencies, including the departments of transportation and the transportation commissions, shall cooperate with the committee and provide information and other assistance as the cochairs may reasonably request.

(d) Staff support for the legislative action committee must be provided by the Washington house of representatives office of program research, Washington senate committee services, and, contingent upon the acceptance by the legislature of the state of Oregon of the invitation in subsection (1) of this section to participate in the legislative action committee, the Oregon legislative policy and research office.

(e) Legislative members of the legislative action committee are reimbursed for travel expenses. For Washington legislative members, this reimbursement must be in accordance with RCW 44.04.120.

(f) The expenses of the legislative action committee must be paid jointly by both states' senate and house of representatives. In Washington, committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(g) Each meeting of the legislative action committee must allow an opportunity for public comment. Legislative action committee meetings must be scheduled and conducted in accordance with the requirements of both the senate and the house of representatives of both states.

(h) The Washington members of the joint Oregon-Washington legislative action committee shall report back to the Washington state legislature, by August 1, 2022, regarding the progress of the committee and its work to advance the project to build a new Interstate 5 bridge spanning the Columbia river. The report must include a description of the locally preferred alternative ultimately identified as part of the interstate bridge replacement project.

Sec. 705. RCW 70A.205.415 and 2009 c 261 s 3 are each amended to read as follows:

The waste tire removal account is created in the state treasury. Expenditures from the account may be used for the cleanup of unauthorized waste tire piles, measures that prevent future accumulation of unauthorized waste tire piles, and road wear related maintenance on state and local public highways. During the 2007-2009 fiscal biennium, the legislature may transfer from the waste tire removal account to the motor vehicle fund such

amounts as reflect the excess fund balance of the waste tire removal account. During the 2021-2023 fiscal biennium, appropriations from the waste tire removal account may be made for the department of transportation to address the risks to safety and public health associated with homeless encampments on department owned rights-of-way.

Sec. 706. RCW 46.68.410 and 2010 c 161 s 812 are each amended to read as follows:

(1) The vehicle identification number inspection fee collected under RCW 46.17.130 must be distributed as follows:

~~((1) Fifteen dollars))~~ (a) \$15 to the state patrol highway account created in RCW 46.68.030; and

~~((2) Fifty dollars))~~ (b) \$50 to the motor vehicle fund created in RCW 46.68.070.

(2) During the 2021-2023 fiscal biennium, the entire vehicle identification number inspection fee collected under RCW 46.17.130 must be distributed to the state patrol highway account created in RCW 46.68.030.

Sec. 707. 2021 c 333 s 719 (uncodified) is amended to read as follows:

(1) The state commercial aviation coordinating commission will review existing data and conduct research to determine Washington's long-range commercial aviation facility needs and the site of a new primary commercial aviation facility. Research for each potential site must include the feasibility of constructing a commercial aviation facility in that location and its potential environmental, community, and economic impacts. Options for a new primary commercial aviation facility in Washington may include expansion of an existing airport facility but may not include siting a facility on or in the vicinity of a military installation that would be incompatible with the installation's ability to carry out its mission requirements. The work of the commission shall include the following:

(a) Recommendations to the legislature on future Washington state long-range commercial aviation facility needs including possible additional aviation facilities or expansion of current aviation facilities, excluding those located in a county with a population of two million or more, to meet anticipated commercial aviation, general aviation, and air cargo demands;

(b) Identifying a preferred location for a new primary commercial aviation facility. The commission shall make recommendations and shall select a single preferred location by a sixty percent majority vote using the following process:

- (i) Initiating a broad review of potential sites;
- (ii) Recommending a final short list of no more than six locations by February 15, 2022;
- (iii) Identifying the top two locations from the final six locations by October 15, 2022; and
- (iv) Identifying a single preferred location for a new primary commercial aviation facility by ~~((February))~~ June 15, 2023; and

(c) A projected timeline for the development of an additional commercial aviation facility that is completed and functional by 2040.

(2) The commission shall submit a report of its findings and recommendations to the transportation committees of the legislature by ~~((February))~~ June 15, 2023. The commission must allow a minority report to be included with the commission report if requested by a voting member of the commission.

(3) Nothing in this section shall be construed to endorse, limit, or otherwise alter existing or future plans for capital development and capacity enhancement at existing commercial airports in Washington.

(4) This section expires June 30, 2023.

Sec. 708. RCW 46.55.010 and 2005 c 88 s 2 are each amended to read as follows:

The definitions set forth in this section apply throughout this

chapter:

(1) "Abandoned vehicle" means a vehicle that a registered tow truck operator has impounded and held in the operator's possession for ~~((one hundred twenty))~~ 120 consecutive hours.

(2) "Immobilize" means the use of a locking wheel boot that, when attached to the wheel of a vehicle, prevents the vehicle from moving without damage to the tire to which the locking wheel boot is attached.

(3) "Abandoned vehicle report" means the document prescribed by the state that the towing operator forwards to the department after a vehicle has become abandoned.

(4) "Impound" means to take and hold a vehicle in legal custody. There are two types of impounds—public and private.

(a) "Public impound" means that the vehicle has been impounded at the direction of a law enforcement officer or by a public official having jurisdiction over the public property upon which the vehicle was located.

(b) "Private impound" means that the vehicle has been impounded at the direction of a person having control or possession of the private property upon which the vehicle was located.

(5) "Junk vehicle" means a vehicle certified under RCW 46.55.230 as meeting at least three of the following requirements:

- (a) Is three years old or older;
- (b) Is extensively damaged, such damage including but not limited to any of the following: A broken window or windshield, or missing wheels, tires, motor, or transmission;
- (c) Is apparently inoperable;
- (d) Has an approximate fair market value equal only to the approximate value of the scrap in it.

(6) "Master log" means the document or an electronic facsimile prescribed by the department and the Washington state patrol in which an operator records transactions involving impounded vehicles.

(7) "Registered tow truck operator" or "operator" means any person who engages in the impounding, transporting, or storage of unauthorized vehicles or the disposal of abandoned vehicles.

(8) "Residential property" means property that has no more than four living units located on it.

(9) "Suspended license impound" means an impound ordered under RCW 46.55.113 because the operator was arrested for a violation of RCW 46.20.342 or 46.20.345.

(10) "Tow truck" means a motor vehicle that is equipped for and used in the business of towing vehicles with equipment as approved by the state patrol.

(11) "Tow truck number" means the number issued by the department to tow trucks used by a registered tow truck operator in the state of Washington.

(12) "Tow truck permit" means the permit issued annually by the department that has the classification of service the tow truck may provide stamped upon it.

(13) "Tow truck service" means the transporting upon the public streets and highways of this state of vehicles, together with personal effects and cargo, by a tow truck of a registered operator.

(14) "Unauthorized vehicle" means a vehicle that is subject to impoundment after being left unattended in one of the following public or private locations for the indicated period of time:

Subject to removal after:

- (a) Public locations:
 - (i) Constituting an accident or a traffic hazard as defined in RCW 46.55.113 Immediately
 - (ii) On a highway and tagged as described in RCW 46.55.085 24 hours
 - (iii) In a publicly owned or controlled parking facility, properly posted under RCW 46.55.070 .. Immediately
 - (iv) During the 2021-2023 fiscal biennium, within the

right-of-way used by a regional transit authority for high capacity transportation where the vehicle constitutes an obstruction to the operation of high capacity transportation vehicles or jeopardizes public safety Immediately

- (b) Private locations:
 - (i) On residential property Immediately
On private, nonresidential property, properly posted under RCW 46.55.070 Immediately
 - (ii) On private, nonresidential property, not posted 24 hours

Sec. 709. RCW 46.55.080 and 2018 c 22 s 12 are each amended to read as follows:

(1) If a vehicle is in violation of the time restrictions of RCW 46.55.010(14), it may be impounded by a registered tow truck operator at the direction of a law enforcement officer, authorized regional transit authority representative under the conditions described in RCW 46.55.010(14)(a)(iv), or other public official with jurisdiction if the vehicle is on public property, or at the direction of the property owner or an agent if it is on private property. A law enforcement officer may also direct the impoundment of a vehicle pursuant to a writ or court order.

(2) The person requesting a private impound or a law enforcement officer, authorized regional transit authority representative, or public official requesting a public impound shall provide a signed authorization for the impound at the time and place of the impound to the registered tow truck operator before the operator may proceed with the impound. A registered tow truck operator, employee, or his or her agent may not serve as an agent of a property owner for the purposes of signing an impound authorization or, independent of the property owner, identify a vehicle for impound.

(3) In the case of a private impound, the impound authorization shall include the following statement: "A person authorizing this impound, if the impound is found in violation of chapter 46.55 RCW, may be held liable for the costs incurred by the vehicle owner."

(4) A registered tow truck operator shall record and keep in the operator's files the date and time that a vehicle is put in the operator's custody and released. The operator shall make an entry into a master log regarding transactions relating to impounded vehicles. The operator shall make this master log available, upon request, to representatives of the department or the state patrol.

(5) A person who engages in or offers to engage in the activities of a registered tow truck operator may not be associated in any way with a person or business whose main activity is authorizing the impounding of vehicles.

Sec. 710. RCW 47.12.063 and 2015 3rd sp.s. c 13 s 2 are each amended to read as follows:

(1) It is the intent of the legislature to continue the department's policy giving priority consideration to abutting property owners in agricultural areas when disposing of property through its surplus property program under this section.

(2) Whenever the department determines that any real property owned by the state of Washington and under the jurisdiction of the department is no longer required for transportation purposes and that it is in the public interest to do so, the department may sell the property or exchange it in full or part consideration for land or building improvements or for construction of highway improvements at fair market value to any person through the solicitation of written bids through public advertising in the manner prescribed under RCW 47.28.050 or in the manner prescribed under RCW 47.12.283.

(3) The department may forego the processes prescribed by

RCW 47.28.050 and 47.12.283 and sell the real property to any of the following entities or persons at fair market value:

- (a) Any other state agency;
- (b) The city or county in which the property is situated;
- (c) Any other municipal corporation;
- (d) Regional transit authorities created under chapter 81.112 RCW;

(e) The former owner of the property from whom the state acquired title;

(f) In the case of residentially improved property, a tenant of the department who has resided thereon for not less than six months and who is not delinquent in paying rent to the state;

(g) Any abutting private owner but only after each other abutting private owner (if any), as shown in the records of the county assessor, is notified in writing of the proposed sale. If more than one abutting private owner requests in writing the right to purchase the property within ~~((fifteen))~~ 15 days after receiving notice of the proposed sale, the property shall be sold at public auction in the manner provided in RCW 47.12.283;

(h) To any other owner of real property required for transportation purposes;

(i) In the case of property suitable for residential use, any nonprofit organization dedicated to providing affordable housing to very low-income, low-income, and moderate-income households as defined in RCW 43.63A.510 and is eligible to receive assistance through the Washington housing trust fund created in chapter 43.185 RCW; ~~((or))~~

(j) During the 2021-2023 fiscal biennium, any nonprofit organization that identifies real property to be sold or conveyed as a substitute for real property owned by the nonprofit within the city of Seattle to be redeveloped for the purpose of affordable housing; or

(k) A federally recognized Indian tribe within whose reservation boundary the property is located.

(4) When selling real property pursuant to RCW 47.12.283, the department may withhold or withdraw the property from an auction when requested by one of the entities or persons listed in subsection (3) of this section and only after the receipt of a nonrefundable deposit equal to ~~((ten))~~ 10 percent of the fair market value of the real property or ~~((five thousand dollars))~~ \$5,000, whichever is less. This subsection does not prohibit the department from exercising its discretion to withhold or withdraw the real property from an auction if the department determines that the property is no longer surplus or chooses to sell the property through one of the other means listed in subsection (2) of this section. If a transaction under this subsection is not completed within ~~((sixty))~~ 60 days, the real property must be put back up for sale.

(5) Sales to purchasers may, at the department's option, be for cash, by real estate contract, or exchange of land or highway improvements. Transactions involving the construction of improvements must be conducted pursuant to chapter 47.28 RCW and Title 39 RCW, as applicable, and must comply with all other applicable laws and rules.

(6) Conveyances made pursuant to this section shall be by deed executed by the secretary of transportation and shall be duly acknowledged.

(7) Unless otherwise provided, all moneys received pursuant to the provisions of this section less any real estate broker commissions paid pursuant to RCW 47.12.320 shall be deposited in the motor vehicle fund.

(8) The department may not enter into equal value exchanges or property acquisitions for building improvements without first consulting with the office of financial management and the joint transportation committee.

NEW SECTION. Sec. 711. Section 706 of this act takes effect only if chapter . . . (Substitute Senate Bill No. 5778), Laws of 2022 (addressing the current backlog of vehicle inspections) is not enacted by June 30, 2022.

MISCELLANEOUS

NEW SECTION. Sec. 801. 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. 802. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 1 of the title, after "appropriations;" strike the remainder of the title and insert "amending RCW 47.01.071, 46.01.385, 47.01.505, 70A.205.415, 46.68.410, 46.55.010, 46.55.080, and 47.12.063; amending 2021 c 333 ss 101, 105, 106, 107, 109, 113, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 305, 306, 307, 308, 309, 310, 311, 313, 401, 402, 403, 404, 405, 406, 407, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 601, 606, 701, and 719 (uncodified); adding new sections to 2021 c 333 (uncodified); creating a new section; repealing 2021 c 333 ss 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, and 537 (uncodified); making appropriations and authorizing expenditures for capital improvements; providing a contingent effective date; and declaring an emergency."

And the bill do pass as recommended by the conference committee.

Signed by Senators King, Liias and Saldaña; Representatives Barkis, Fey and Wylie.

MOTION

Senator Liias moved that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 5689 be adopted.

Senators Liias and King spoke in favor of passage of the motion.

The Vice President Pro Tempore declared the question before the Senate to be the motion by Senator Liias that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 5689 be adopted.

The motion by Senator Liias carried and the Report of the Conference Committee was adopted by voice vote.

The Vice President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5689, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5689, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C. and Wilson, L.

Voting nay: Senators Honeyford, McCune, Schoesler and Wilson, J.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5689, as recommended by the Conference Committee, 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

March 10, 2022

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 5974 and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Engrossed Substitute Senate Bill No. 5974

March 9, 2022

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed Substitute Senate Bill No. 5974, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature intends that \$500,000,000 of the amounts in the 16-year move ahead WA investment program must enhance stormwater runoff treatment from existing roads and infrastructure with an emphasis on green infrastructure retrofits. Projects must be prioritized based on benefits to salmon recovery and ecosystem health, reducing toxic pollution, addressing health disparities, and cost effectiveness. The department of transportation must submit progress reports on its efforts to reduce the toxicity of stormwater runoff from existing infrastructure, recommendations for addressing barriers to innovative solutions, and anticipated demand for funding each biennium.

Part I

Climate Commitment Act Allocations

Sec. 101. RCW 70A.65.240 and 2021 c 316 s 27 are each amended to read as follows:

(1) The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to affect reductions in transportation sector carbon emissions through a variety of carbon reducing investments. These can include, but are not limited to: Transportation alternatives to single occupancy passenger vehicles; reductions in single occupancy passenger vehicle miles traveled; reductions in per mile emissions in vehicles, including through the funding of alternative fuel infrastructure and incentive programs; and emission reduction programs for freight transportation, including motor vehicles and rail, as well as for ferries and other maritime and port activities. Expenditures from the account may only be made for transportation carbon emission reducing purposes and may not be made for highway purposes authorized under the 18th Amendment of the Washington state Constitution, other than specified in this section, and shall be made in accordance with subsection (2) of this section. It is the legislature's intent that

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expenditures from the account used to reduce carbon emissions be made with the goal of achieving equity for communities that historically have been omitted or adversely impacted by past transportation policies and practices.

(2) Appropriations in an omnibus transportation appropriations act from the carbon emissions reduction account shall be made exclusively to fund the following activities:

- (a) Active transportation;
- (b) Transit programs and projects;
- (c) Alternative fuel and electrification;
- (d) Ferries; and
- (e) Rail.

NEW SECTION. Sec. 102. A new section is added to chapter 46.68 RCW to read as follows:

(1) The climate active transportation account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the following active transportation grant programs: Safe routes to schools, school-based bike program, bicycle and pedestrian grant program, complete streets grants program, and connecting communities grant program, as well as pedestrian and bicycle or other active transportation projects identified in an omnibus transportation appropriations act as move ahead WA projects.

(2) Beginning July 1, 2023, the state treasurer shall annually transfer 24 percent of the revenues accruing annually to the carbon emissions reduction account created in RCW 70A.65.240 to the climate active transportation account.

NEW SECTION. Sec. 103. A new section is added to chapter 46.68 RCW to read as follows:

(1) The climate transit programs account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the following transit grant programs: Transit support grant program, tribal transit mobility grants, transit coordination grants, special needs transit grants, bus and bus facility grant program, green transit grants, and transportation demand management grants, as well as transit projects identified in an omnibus transportation appropriations act as move ahead WA projects.

(2) Beginning July 1, 2023, the state treasurer shall annually transfer 56 percent of the revenues accruing annually to the carbon emissions reduction account created in RCW 70A.65.240 to the climate transit programs account.

Sec. 104. RCW 70A.65.030 and 2021 c 316 s 4 are each amended to read as follows:

(1) Each year or biennium, as appropriate, when allocating funds from the carbon emissions reduction account created in RCW 70A.65.240, the climate investment account created in RCW 70A.65.250, ~~((and from))~~ the air quality and health disparities improvement account created in RCW 70A.65.280, the climate transit programs account created in section 103 of this act, or the climate active transportation account created in section 102 of this act, or administering grants or programs funded by the accounts, agencies shall conduct an environmental justice assessment consistent with the requirements of RCW 70A.02.060 and establish a minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities through: (a) The direct reduction of environmental burdens in overburdened communities; (b) the reduction of disproportionate, cumulative risk from environmental burdens, including those associated with climate change; (c) the support of community led project development, planning, and participation costs; or (d) meeting a community need identified by the community that is consistent with the intent

of this chapter or RCW 70A.02.010.

(2) The allocation of funding under subsection (1) of this section must adhere to the following principles, additional to the requirements of RCW 70A.02.080: (a) Benefits and programs should be directed to areas and targeted to vulnerable populations and overburdened communities to reduce statewide disparities; (b) investments and benefits should be made roughly proportional to the health disparities that a specific community experiences, with a goal of eliminating the disparities; (c) investments and programs should focus on creating environmental benefits, including eliminating health burdens, creating community and population resilience, and raising the quality of life of those in the community; and (d) efforts should be made to balance investments and benefits across the state and within counties, local jurisdictions, and unincorporated areas as appropriate to reduce disparities by location and to ensure efforts contribute to a reduction in disparities that exist based on race or ethnicity, socioeconomic status, or other factors.

(3) State agencies allocating funds or administering grants or programs from the carbon emissions reduction account created in RCW 70A.65.240, the climate investment account created in RCW 70A.65.250, ~~((and from))~~ the air quality and health disparities improvement account created in RCW 70A.65.280, the climate transit programs account created in section 103 of this act, or the climate active transportation account created in section 102 of this act, must:

(a) Report annually to the environmental justice council created in RCW 70A.02.110 regarding progress toward meeting environmental justice and environmental health goals;

(b) Consider recommendations by the environmental justice council; and

(c)(i) If the agency is not a covered agency subject to the requirements of chapter 314, Laws of 2021, create and adopt a community engagement plan to describe how it will engage with overburdened communities and vulnerable populations in allocating funds or administering grants or programs from the climate investment account.

(ii) The plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

Sec. 105. RCW 70A.65.040 and 2021 c 316 s 5 are each amended to read as follows:

(1) The environmental justice council created in RCW 70A.02.110 must provide recommendations to the legislature, agencies, and the governor in the development and implementation of the program established in RCW 70A.65.060 through 70A.65.210, and the programs funded from the carbon emissions reduction account created in RCW 70A.65.240 ~~((and from))~~, the climate investment account created in RCW 70A.65.250, the climate transit programs account created in section 103 of this act, and the climate active transportation account created in section 102 of this act.

(2) In addition to the duties and authorities granted in chapter 70A.02 RCW to the environmental justice council, the environmental justice council must:

(a) Provide recommendations to the legislature, agencies, and the governor in the development of:

(i) The program established in RCW 70A.65.060 through 70A.65.210 including, but not limited to, linkage with other jurisdictions, protocols for establishing offset projects and securing offset credits, designation of emissions-intensive and trade-exposed industries under RCW 70A.65.110, and administration of allowances under the program; and

(ii) Investment plans and funding proposals for the programs funded from the climate investment account created in RCW

70A.65.250 for the purpose of providing environmental benefits and reducing environmental health disparities within overburdened communities;

(b) Provide a forum to analyze policies adopted under this chapter to determine if the policies lead to improvements within overburdened communities;

(c) Recommend procedures and criteria for evaluating programs, activities, or projects;

(d) Recommend copollutant emissions reduction goals in overburdened communities;

(e) Evaluate the level of funding provided to assist vulnerable populations, low-income individuals, and impacted workers and the funding of projects and activities located within or benefiting overburdened communities;

(f) Recommend environmental justice and environmental health goals for programs, activities, and projects funded from the climate investment account, and review agency annual reports on outcomes and progress toward meeting these goals;

(g) Provide recommendations to implementing agencies for meaningful consultation with vulnerable populations, including community engagement plans under RCW 70A.65.020 and 70A.65.030; and

(h) Recommend how to support public participation through capacity grants for participation.

(3) For the purpose of performing the duties under subsection (2) of this section, two additional tribal members are added to the council.

Part II

Aircraft Fuel Tax, Stolen Vehicle Check, Dealer Temporary Permit, Enhanced Driver's License and Identicard, Driver's Abstract, License Plate, Documentary Service, and Other Driver and Vehicle Fees

Sec. 201. RCW 82.42.020 and 2013 c 225 s 302 are each amended to read as follows:

There is levied upon every distributor of aircraft fuel, an excise tax at the rate of ~~((eleven))~~ 18 cents on each gallon of aircraft fuel sold, delivered, or used in this state. There must be collected from every user of aircraft fuel either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020. The taxes imposed by this chapter must be collected and paid to the state but once in respect to any aircraft fuel.

Sec. 202. RCW 46.17.200 and 2014 c 80 s 4 are each amended to read as follows:

(1) In addition to all other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge:

(a) The following license plate fees for each license plate, unless the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
Original issue	((10.00)) <u>\$50.00</u>	RCW 46.68.070
Reflectivity	\$2.00	RCW 46.68.070
Replacement	((10.00)) <u>\$30.00</u>	RCW 46.68.070
Original issue, motorcycle	((4.00)) <u>\$20.00</u>	RCW 46.68.070
Replacement, motorcycle	((4.00)) <u>\$12.00</u>	RCW 46.68.070
Original issue, moped	\$1.50	RCW 46.68.070

(b) A license plate retention fee, as required under RCW 46.16A.200(9)(a), of ~~((twenty dollars))~~ \$20 if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from

payment. The ~~((twenty dollar))~~ \$20 fee must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) A ~~((ten dollar))~~ \$10 license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ~~((ten dollar))~~ \$10 license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a ~~((five dollar))~~ \$5 license plate fee, in addition to any other fee required by law.

(2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to ~~((five dollars))~~ \$5 per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(3) \$40 of the original issue license plate fee imposed under subsection (1)(a) of this section and \$16 of the original issue motorcycle license plate fee imposed under subsection (1)(a) of this section must be deposited in the move ahead WA account created in section 401 of this act.

(4) \$20 of the replacement license plate fee imposed under subsection (1)(a) of this section and \$8 of the replacement motorcycle license plate fee imposed under subsection (1)(a) of this section must be deposited in the move ahead WA account created in section 401 of this act.

Sec. 203. RCW 46.17.120 and 2020 c 239 s 1 are each amended to read as follows:

(1) Before accepting an application for a certificate of title for a vehicle previously registered in any other state or country, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a fee of ~~((fifteen dollars))~~ \$50. ~~((The fifteen dollar fee))~~

(a) \$15 of the fee required by this section must be distributed under RCW 46.68.020.

(b) \$35 of the fee required by this section must be deposited in the move ahead WA account created in section 401 of this act.

(2) Beginning July 1, 2026, before accepting an application for a certificate of title for a vehicle previously registered in any other state or country, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay, in addition to the fee specified in subsection (1) of this section, a fee of \$25 which must be deposited in the move ahead WA account created in section 401 of this act.

(3) An applicant is exempt from the ~~((fifteen dollar fee))~~ fees specified in this section if the applicant previously registered the vehicle in Washington state and maintained ownership of the vehicle while registered in another state or country.

Sec. 204. RCW 46.17.400 and 2011 c 171 s 62 are each amended to read as follows:

(1) Before accepting an application for one of the following permits, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay the following permit fee by permit type in addition to any other fee or tax required by law:

PERMIT TYPE	FEE	AUTHORITY	DISTRIBUTION
(a) Dealer temporary	((15.00)) <u>\$40.00</u>	RCW 46.16A.300	RCW 46.68.030
(b) Department temporary	\$50	RCW 46.16A.305	RCW 46.68.450

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(c) Farm vehicle trip	\$6.25	RCW 46.16A.330	RCW 46.68.035
(d) Nonresident military	\$10.00	RCW 46.16A.340	RCW 46.68.070
(e) Nonresident temporary snowmobile	\$5.00	RCW 46.10.450	RCW 46.68.350
(f) Special fuel trip	\$30.00	RCW 82.38.100	RCW 46.68.460
(g) Temporary ORV use	\$7.00	RCW 46.09.430	RCW 46.68.045
(h) Vehicle trip	\$25.00	RCW 46.16A.320	RCW 46.68.455

(2) Permit fees as provided in subsection (1) of this section are in addition to the filing fee required under RCW 46.17.005, except an additional filing fee may not be charged for:

- (a) Dealer temporary permits;
- (b) Special fuel trip permits; and
- (c) Vehicle trip permits.

(3) ~~((Five dollars)) \$5~~ of the ~~((fifteen dollar)) \$40~~ dealer temporary permit fee provided in subsection (1)(a) of this section must be credited to the payment of vehicle license fees at the time application for registration is made. \$25 of the \$40 dealer temporary permit fee provided in subsection (1)(a) of this section must be deposited in the move ahead WA account created in section 401 of this act. The remainder must be deposited to the state patrol highway account created in RCW 46.68.030.

Sec. 205. RCW 46.20.202 and 2021 c 317 s 21 and 2021 c 158 s 9 are each reenacted and amended to read as follows:

(1) The department may enter into a memorandum of understanding with any federal agency for the purposes of facilitating the crossing of the border between the state of Washington and the Canadian province of British Columbia.

(2) The department may enter into an agreement with the Canadian province of British Columbia for the purposes of implementing a border-crossing initiative.

(3)(a) The department may issue an enhanced driver's license or identicard for the purposes of crossing the border between the state of Washington and the Canadian province of British Columbia to an applicant who provides the department with proof of: United States citizenship, identity, and state residency. The department shall continue to offer a standard driver's license and identicard. If the department chooses to issue an enhanced driver's license, the department must allow each applicant to choose between a standard driver's license or identicard, or an enhanced driver's license or identicard.

(b) The department shall implement a one-to-many biometric matching system for the enhanced driver's license or identicard. An applicant for an enhanced driver's license or identicard shall submit a biometric identifier as designated by the department. The biometric identifier must be used solely for the purpose of verifying the identity of the holders and for any purpose set out in RCW 46.20.037. Applicants are required to sign a declaration acknowledging their understanding of the one-to-many biometric match.

(c) The enhanced driver's license or identicard must include reasonable security measures to protect the privacy of Washington state residents, including reasonable safeguards to protect against unauthorized disclosure of data about Washington state residents. If the enhanced driver's license or identicard includes a radio frequency identification chip, or similar technology, the department shall ensure that the technology is encrypted or otherwise secure from unauthorized data access.

(d) The requirements of this subsection are in addition to the requirements otherwise imposed on applicants for a driver's license or identicard. The department shall adopt such rules as

necessary to meet the requirements of this subsection. From time to time the department shall review technological innovations related to the security of identity cards and amend the rules related to enhanced driver's licenses and identicards as the director deems consistent with this section and appropriate to protect the privacy of Washington state residents.

(e) Notwithstanding RCW 46.20.118, the department may make images associated with enhanced drivers' licenses or identicards from the negative file available to United States customs and border agents for the purposes of verifying identity.

(4) Beginning ~~((on July 23, 2017))~~ October 1, 2022, the fee for an enhanced driver's license or enhanced identicard is ~~((thirty two dollars))~~ \$56, which is in addition to the fees for any regular driver's license or identicard. If the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than eight years, the fee for each class is ~~((four dollars))~~ \$7 for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.

(5)(a) The first \$4 per year of issuance, to a maximum of \$32 of the enhanced driver's license and enhanced identicard fee under this section must be deposited into the highway safety fund unless prior to July 1, 2023, the actions described in (a)(i) or ((b)) (ii) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in section 209, chapter 44, Laws of 2015 3rd sp. sess. must be distributed to the connecting Washington account created under RCW 46.68.395.

~~((a))~~ (i) Any state agency files a notice of rule making under chapter 34.05 RCW, absent explicit legislative authorization enacted subsequent to July 1, 2015, for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

~~((b))~~ (ii) Any state agency otherwise enacts, adopts, orders, or in any way implements a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard, without explicit legislative authorization enacted subsequent to July 1, 2015.

~~((c))~~ (iii) Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

(b) \$24 of the enhanced driver's license and enhanced identicard fee under this section must be deposited into the move ahead WA flexible account created in section 402 of this act. If the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than eight years, the amount deposited into the move ahead WA flexible account created in section 402 of this act is \$3 for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.

Sec. 206. RCW 46.52.130 and 2021 c 93 s 8 are each amended to read as follows:

Upon a proper request, the department may only furnish information contained in an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

- (i) The total number of vehicles involved;
- (ii) Whether the vehicles were legally parked or moving;
- (iii) Whether the vehicles were occupied at the time of the accident; and
- (iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** Unless otherwise required in this section, the release of an abstract does not require a signed statement by the subject of the abstract. An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract or that named individual's attorney, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or agents acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(ii) The department may provide employers or their agents a three-year insurance carrier driving record of existing employees only for the purposes of sharing the driving record with its insurance carrier for underwriting. Employers may not provide the employees' full driving records to its insurance carrier.

(iii) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or the agent(s) acting on behalf of an employer or prospective employer of the named individual for purposes unrelated to driving by the individual when a driving record is required by federal or state law, or the employee or prospective employee will be handling heavy equipment or machinery.

(iv) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employer or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes agents to obtain this information on their behalf, this must be noted in the statement. The statement must also note that any information contained in the abstract related to an adjudication that is subject to a court order sealing the juvenile record of an employee or prospective employee may not be used by the employer or prospective employer, or an agent authorized to obtain this information on their behalf, unless required by federal regulation or law. The employer or prospective employer must afford the employee or prospective employee an opportunity to demonstrate that an adjudication contained in the abstract is subject to a court order sealing the juvenile record.

(v) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any

abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(vi) No employer or prospective employer, nor any agents of an employer or prospective employer, may use information contained in the abstract related to an adjudication that is subject to a court order sealing the juvenile record of an employee or prospective employee for any purpose unless required by federal regulation or law. The employee or prospective employee must furnish a copy of the court order sealing the juvenile record to the employer or prospective employer, or the agents of the employer or prospective employer, as may be required to ensure the application of this subsection.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agents of a transit authority checking prospective or existing volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agents:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty, or by registered tow truck operators as defined in RCW 46.55.010 in the performance of their occupational duties while at the scene of a roadside impound or recovery so long as they are not issued a citation. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agents, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to

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any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agents, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles. For the purposes of this subsection, "commercial motor vehicle" has the same meaning as in RCW 46.25.010(6).

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of health to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **Attorneys—City attorneys, county prosecuting attorneys, and named individual's attorney of record.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys, county prosecuting attorneys, or the named individual's attorney of record. City attorneys, county prosecuting attorneys, or the named individual's attorney of record may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031, or their agents, for employment and risk management purposes. "Unit of local government" includes an insurance pool established under RCW 48.62.031.

(i) **Superintendent of public instruction.** (i) An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(ii) The superintendent of public instruction is exempt from paying the fees related to the reviewing of records and the fee required in subsection (5) of this section.

(j) **State and federal agencies.** An abstract of the driving record maintained by the department may be furnished to state and federal agencies, or their agents, in carrying out its functions.

(k) **Transportation network companies.** An abstract of the full driving record maintained by the department may be furnished to a transportation network company or its agents acting on its behalf of the named individual for purposes related to driving by the individual as a condition of being a contracted driver.

(l) **Research.** (i) The department may furnish driving record data to state agencies and bona fide scientific research organizations. The department may require review and approval by an institutional review board. For the purposes of this

subsection, "research" means a planned and systematic sociological, psychological, epidemiological, biomedical, or other scientific investigation carried out by a state agency, or by a scientific research professional associated with a bona fide scientific research organization with an objective to contribute to scientific knowledge, the solution of social and health problems, or the evaluation of public benefit and service programs. This definition excludes methods of record analysis and data collection that are subjective, do not permit replication, and are not designed to yield reliable and valid results.

(ii) The state agency, or a scientific research professional associated with a bona fide scientific research organization, are exempt from paying the fees related to the reviewing of records and the fee required in subsection (5) of this section. However, the department may charge a cost-recovery fee for the actual cost of providing the data.

(3) **Reviewing of driving records.** (a) In addition to the methods described herein, the director may enter into a contractual agreement for the purpose of reviewing the driving records of existing employees for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that does not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(b) The department may provide reviewing services to the following entities:

- (i) Employers for existing employees, or their agents;
- (ii) Transit authorities for current vanpool drivers, or their agents;
- (iii) Insurance carriers for current policyholders, or their agents;
- (iv) State colleges, universities, or agencies, or units of local government, or their agents;
- (v) The office of the superintendent of public instruction for school bus drivers statewide; and
- (vi) Transportation network companies, or their agents.

(4) **Release to third parties prohibited.** (a) Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (l) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(b) The following release of records to third parties are hereby authorized:

(i) Employers may divulge driving records to regulatory bodies, as defined by the department by rule, such as the United States department of transportation and the federal motor carrier safety administration.

(ii) Employers may divulge a three-year driving record to their insurance carrier for underwriting purposes.

(iii) Employers may divulge driving records to contracted motor carrier consultants for the purposes of ensuring driver compliance and risk management.

(5) ~~((Fee.))~~ **Fees.** (a) The director shall collect a ~~((thirteen dollar))~~ \$15 fee for each abstract of a person's driving record furnished by the department. After depositing \$2 of the driver's abstract fee in the move ahead WA flexible account created in section 402 of this act, the remainder shall be distributed as follows:

(i) Fifty percent ((of the fee)) must be deposited in the highway safety fund((s)); and ((fifty))

(ii) Fifty percent ((of the fee)) must be deposited according to RCW 46.68.038.

(b) Beginning July 1, 2029, the director shall collect an additional \$2 fee for each abstract of a person's driving record furnished by the department. The \$2 additional driver's abstract fee must be deposited in the move ahead WA flexible account created in section 402 of this act.

(c) City attorneys and county prosecuting attorneys are exempt from paying the fees specified in (a) and (b) of this subsection for an abstract of a person's driving record furnished by the department for use in criminal proceedings.

(6) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

(7) Effective July 1, 2019, the contents of a driving abstract pursuant to this section shall not include any information related to sealed juvenile records unless that information is required by federal law or regulation.

Sec. 207. RCW 46.17.015 and 2010 c 161 s 502 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a ~~((twenty-five))~~ 25 cent license plate technology fee in addition to any other fees and taxes required by law. The license plate technology fee must be distributed under RCW 46.68.370.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license plate technology fee, except for a vehicle registered under RCW 46.16A.455(3).

(3) The revenue from the license plate technology fee imposed on vehicles registered under RCW 46.16A.455(3) must be deposited in the move ahead WA account created in section 401 of this act.

Sec. 208. RCW 46.17.025 and 2010 c 161 s 503 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a ~~((fifty))~~ 50 cent license service fee in addition to any other fees and taxes required by law. The license service fee must be distributed under RCW 46.68.220.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license service fee, except for a vehicle registered under RCW 46.16A.455(3).

(3) The revenue from the license service fee imposed on vehicles registered under RCW 46.16A.455(3) must be deposited in the move ahead WA account created in section 401 of this act.

Sec. 209. RCW 46.20.200 and 2012 c 80 s 10 are each amended to read as follows:

(1) If an instruction permit, identicard, or a driver's license is lost or destroyed, the person to whom it was issued may obtain a duplicate of it upon furnishing proof of such fact satisfactory to the department and payment of a fee of ~~((twenty dollars))~~ \$20 to the department.

(2) A replacement permit, identicard, or driver's license may be obtained to change or correct material information upon payment of a fee of ~~((ten dollars))~~ \$20 and surrender of the permit, identicard, or driver's license being replaced.

Sec. 210. RCW 46.68.041 and 2020 c 330 s 18 are each amended to read as follows:

(1) Except as provided in ~~((subsection))~~ subsections (2) and (3) of this section, the department ~~((shall))~~ must forward all funds accruing under the provisions of chapter 46.20 RCW together with a proper identifying, detailed report to the state treasurer who ~~((shall))~~ must deposit such moneys to the credit of the highway safety fund.

(2) Fifty-six percent of each fee collected by the department under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) ~~((shall))~~ must be deposited in the impaired driving safety account.

(3) Fifty percent of the revenue from the fees imposed under

RCW 46.20.200(2) must be deposited in the move ahead WA flexible account created in section 402 of this act.

Sec. 211. RCW 46.70.180 and 2017 c 41 s 1 are each amended to read as follows:

Each of the following acts or practices is unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2)(a)(i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(ii) However, an amount not to exceed ~~((one hundred fifty dollars))~~ \$200 per vehicle sale or lease may be charged by a dealer to recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

(b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:

(i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;

(ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and that is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee;

(iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and

(iv) Dealers disclose in any advertisement that a documentary service fee in an amount up to ~~((one hundred fifty dollars))~~ \$200

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may be added to the sale price or the capitalized cost.

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:

(a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within the "bushing" period, which is four calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to acceptance or performance, including, but not limited to, financing, assignment, or lease approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the contract or lease, as long as such voiding does not negate commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing company discovers that approval of the contract or financing or approval of the lease was based upon material misrepresentations made by the buyer or lessee, including, but not limited to, misrepresentations regarding income, employment, or debt of the buyer or lessee, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation. A dealer shall not be in violation of this subsection (4)(a) if the buyer or lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation.

A dealer may inform a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by sending an email message to the buyer's or lessee's supplied email address, by phone call, by leaving a voice message or sending a text message to a phone number provided by the buyer or lessee, by in-person oral communication, by mailing a letter by first-class mail if the buyer or lessee expresses a preference for a letter or declines to provide

an email address and a phone number capable of receiving a free text message, or by another means agreed to by the buyer or lessee or approved by the department, effective upon the execution, mailing, or sending of the communication and before expiration of the "bushing" period;

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:

(i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or

(ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or

(iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of (~~five hundred~~) 500 miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.

(6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:

(a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;

(b) The dealer has satisfied the lien; and

(c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.

(9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to

such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

(10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.

(11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.

(12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:

(a) Receiving or paying any purchase moneys or funds into or out of any account controlled or used by any buyer's agent;

(b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or

(c) Signing any other documentation relating to the purchase, sale, lease, or transfer of any new motor vehicle.

It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

(13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.

(14) Being a manufacturer, other than a motorcycle

manufacturer governed by chapter 46.93 RCW, to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion;

(b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;

(f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

(16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing

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redemption rights to the debtor, is not a violation of this section.

(17)(a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts, or ~~((one thousand dollars))~~ \$1,000, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.

(b) A manufacturer is required to provide the same disclosure to a dealer of any known damage or repair as required in (a) of this subsection.

(c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged and repaired before completion of the sale.

(d) As used in this section:

(i) "Cosmetic parts" means parts that are attached to and can be replaced in total through the use of screws, bolts, or other fasteners without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.

(ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.

Part III

General Fund and Other Related Support

Sec. 301. RCW 82.32.385 and 2020 c 219 s 703 are each amended to read as follows:

(1) Beginning September 2019 and ending December 2019, by the last day of September and December, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 ~~((thirteen million six hundred eighty thousand dollars))~~ \$13,680,000.

(2) Beginning March 2020 and ending June 2021, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the multimodal transportation account created in RCW 47.66.070 ~~((thirteen million six hundred eighty thousand dollars))~~ \$13,680,000.

(3) Beginning September 2021 and ending June 2023, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 ~~((thirteen million eight hundred five thousand dollars))~~ \$13,805,000.

(4) Beginning September 2023 and ending June 2025, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 ~~((thirteen million nine hundred eighty seven thousand dollars))~~ \$13,987,000.

(5) Beginning September 2025 and ending June 2027, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the

connecting Washington account created in RCW 46.68.395 ~~((eleven million six hundred fifty eight thousand dollars))~~ \$11,658,000.

(6) Beginning September 2027 and ending June 2029, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 ~~((seven million five hundred sixty four thousand dollars))~~ \$7,564,000.

(7) Beginning September 2029 and ending June 2031, by the last day of September, December, March, and June of each year, the state treasurer must transfer from the general fund to the connecting Washington account created in RCW 46.68.395 ~~((four million fifty six thousand dollars))~~ \$4,056,000.

(8) For fiscal year 2026 through fiscal year 2038, the state treasurer must transfer from the general fund to the move ahead WA flexible account created in section 402 of this act \$31,000,000 each fiscal year in four equal quarterly transfers. This amount represents the estimated state sales and use tax generated from new transportation projects and activities funded as a result of this act.

(9) For fiscal year 2024 through fiscal year 2038, the state treasurer must transfer from the general fund to the move ahead WA flexible account created in section 402 of this act \$57,000,000 each fiscal year in four equal quarterly transfers.

Sec. 302. RCW 43.155.050 and 2021 c 334 s 979 and 2021 c 332 s 7031 are each reenacted and amended to read as follows:

(1) The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving fund and the drinking water assistance account to provide for state match requirements under federal law. Moneys in the account may be transferred to the move ahead WA account to provide support of public works projects funded in the move ahead WA program. Not more than ~~((twenty))~~ 20 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter. Not more than ~~((ten))~~ 10 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. During the 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, the aviation revitalization loan program, the community economic revitalization board broadband program, and the voluntary stewardship program. During the 2021-2023 biennium, the legislature may appropriate moneys from the account for activities related to the aviation revitalization board. During the 2019-2021 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the education legacy trust account. During the 2019-2021 and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the statewide broadband account. During the 2021-2023 fiscal biennium, the legislature may appropriate moneys from the public works assistance account for activities related to the voluntary stewardship program, rural

economic development, and the growth management act.

(2) For fiscal year 2024 through fiscal year 2038, the state treasurer must transfer from the public works assistance account to the move ahead WA account created in section 401 of this act \$57,000,000 each fiscal year in four equal quarterly transfers.

Sec. 303. RCW 82.08.993 and 2021 c 171 s 2 are each amended to read as follows:

(1)(a) Subject to the limitations in this subsection, beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, ~~((fifty))~~ 50 percent of the tax levied by RCW 82.08.020 does not apply to sales or leases of new electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(b)(i) By the end of the fifth working day of each month, until the expiration of the exemption as described in (c) of this subsection, the department must determine the cumulative number of vehicles that have claimed the exemption as described in (a) of this subsection.

(ii) The department of licensing must collect and provide, upon request, information in a form or manner as required by the department to determine the number of exemptions that have been claimed.

(c) The exemption under this section expires after the last day of the calendar month immediately following the month the department determines that the total number of vehicles exempt under (a) of this subsection reaches 650. All leased vehicles that qualified for the exemption before the expiration of the exemption must continue to receive the exemption as described under (a) of this subsection on lease payments due through the remainder of the lease.

(d) The department must provide notification on its website monthly on the amount of exemptions that have been applied for, the amount issued, and the amount remaining before the limit described in (c) of this subsection has been reached, and, once that limit has been reached, the date the exemption expires pursuant to (c) of this subsection.

(e) A person may not claim the exemption under this subsection if the person claims the exemption under RCW 82.08.9999 or 82.12.9999.

(f) The per vehicle exemption must be based on the sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles.

(2)(a) Subject to the limitations in this subsection (2), beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, the entire tax levied by RCW 82.08.020 does not apply to the sale or lease of used electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(b) The per vehicle exemption must be based on the sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles. However, the maximum value amount eligible for the exemption under (a) of this subsection is the lesser of either ~~((sixteen thousand dollars))~~ \$16,000 or the fair market value of the vehicle.

(c) A person may not claim the exemption under this subsection (2) if the person claims the exemption under RCW 82.08.9999 or 82.12.9999.

(3)(a) For qualifying vehicles sold by a person licensed to do business in the state of Washington, the seller must keep records necessary for the department to verify eligibility under this section. The seller reporting the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease;

sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

(b) For vehicles purchased from (i) a seller that is not licensed to do business in the state of Washington, or (ii) a private party, the buyer must keep records necessary for the department to verify eligibility under this section. The buyer claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; date of sale; sales price; and the total amount qualifying for the incentive claimed for each vehicle. This information must be provided in a form and manner prescribed by the department.

(4)(a) The department of licensing must maintain and publish a list of all vehicle models qualifying for the tax exemptions under this section and RCW 82.12.817 until the expiration of this section, and is authorized to issue final rulings on vehicle model qualification for these criteria.

(b) The department of revenue retains responsibility for determining whether a vehicle meets the applicable qualifying criterion under subsections (1) and (2) of this section.

~~(5) ((On the last day of July, October, January, and April of each year, the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior fiscal quarter but for the exemptions provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

~~(6))~~ By the last day of August 2023, and annually thereafter until this section expires, based on the best available data, the department must report the following information to the transportation committees of the legislature: The cumulative number of fuel cell electric vehicles that qualified for the exemptions under this section and RCW 82.12.817 by month of purchase or lease start and vehicle make and model; the dollar amount of all state retail sales and use taxes exempted on or after the qualification period start date, under this section and RCW 82.12.817; and estimates of the future costs of leased vehicles that qualified for the exemptions under this section and RCW 82.12.817.

~~((7))~~ (6)(a) Sales of vehicles delivered to the buyer after the expiration of this section, or leased vehicles for which the lease agreement was signed after the expiration of this section, do not qualify for the exemptions under this section.

(b) All leased vehicles that qualified for the exemption under this section before the expiration of this section must continue to receive the exemption on any lease payments due through the remainder of the lease.

~~((8))~~ (7) For the purposes of this section:

(a) "Fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.

(b) "Fuel cell" means a technology that uses an electrochemical reaction to generate electric energy by combining atoms of hydrogen and oxygen in the presence of a catalyst.

(c) "New vehicle" has the same meaning as "new motor vehicle" in RCW 46.04.358.

(d) "Selling price" and "sales price" have the same meaning as in RCW 82.08.010.

(e) "Used vehicle" has the same meaning as in RCW 46.04.660.

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~~((9))~~ (8) This section expires June 30, 2029.

Sec. 304. RCW 82.12.817 and 2021 c 171 s 3 are each amended to read as follows:

(1) Subject to the limitations in this subsection and RCW 82.08.993(1)(c), beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, ~~((fifty))~~ 50 percent of the tax levied by RCW 82.12.020 does not apply to sales or leases of new electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(2)(a) Subject to the limitations in this subsection (2), beginning July 1, 2022, with sales made or lease agreements signed on or after this date until the expiration of this section, the entire tax levied by RCW 82.12.020 does not apply to the sale or lease of used electric passenger cars, light duty trucks, and medium duty passenger vehicles, that are powered by a fuel cell.

(b) The per vehicle exemption must be based on the sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles. However, the maximum value amount eligible for the exemption under (a) of this subsection is the lesser of either ~~((sixteen thousand dollars))~~ \$16,000 or the fair market value of the vehicle.

(c) A person may not claim the exemption under this subsection (2) if the person claims the exemption under RCW 82.08.9999 or 82.12.9999.

(3) The buyer must keep records necessary for the department to verify eligibility under this section. The buyer claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

~~(4) ((On the last day of July, October, January, and April of each year, the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior fiscal quarter but for the exemptions provided in this section. Information provided by the department to the state treasurer must be based on the best available data.~~

~~(5))~~(a) Sales of vehicles delivered to the buyer after the expiration of this section, or leased vehicles for which the lease agreement was signed after the expiration of this section, do not qualify for the exemptions under this section.

(b) All leased vehicles that qualified for the exemption under this section before the expiration of this section must continue to receive the exemption on any lease payments due through the remainder of the lease.

~~((6))~~ (5) The definitions in RCW 82.08.993 apply to this section.

~~((7))~~ (6) This section expires June 30, 2029.

Sec. 305. RCW 82.08.9999 and 2021 c 145 s 13 are each amended to read as follows:

(1) Beginning August 1, 2019, with sales made or lease agreements signed on or after the qualification period start date:

(a) The tax levied by RCW 82.08.020 does not apply as provided in (b) of this subsection to sales or leases of new or used passenger cars, light duty trucks, and medium duty passenger vehicles that:

(i) Are exclusively powered by a clean alternative fuel; or

(ii) Use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least ~~((thirty))~~ 30 miles using only battery power; and

(iii)(A) Have a vehicle selling price plus trade-in property of like kind for purchased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((forty five thousand dollars))~~ \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((thirty thousand dollars))~~ \$30,000; or

(B) Have a fair market value at the inception of the lease for leased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((forty five thousand dollars))~~ \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((thirty thousand dollars))~~ \$30,000;

(b)(i) The exemption in this section is applicable for up to the amounts specified in (b)(ii) or (iii) of this subsection of:

(A) The total amount of the vehicle's selling price, for sales made; or

(B) The total lease payments made plus any additional selling price of the leased vehicle if the original lessee purchases the leased vehicle before the qualification period end date, for lease agreements signed.

(ii) Based on the purchase date or the date the lease agreement was signed of the vehicle if the vehicle is a new vehicle at the time of the purchase date or the date the lease agreement was signed:

(A) From the qualification period start date until July 31, 2021, the maximum amount eligible under (b)(i) of this subsection is ~~((twenty five thousand dollars))~~ \$25,000;

(B) From August 1, 2021, until July 31, 2023, the maximum amount eligible under (b)(i) of this subsection is ~~((twenty thousand dollars))~~ \$20,000;

(C) From August 1, 2023, until July 31, 2025, the maximum amount eligible under (b)(i) of this subsection is ~~((fifteen thousand dollars))~~ \$15,000.

(iii) If the vehicle is a used vehicle at the time of the purchase date or the date the lease agreement was signed, the maximum amount eligible under (b)(i) of this subsection is ~~((sixteen thousand dollars))~~ \$16,000.

(2) The seller must keep records necessary for the department to verify eligibility under this section. A person claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; sales price for purchased vehicles and fair market value at the inception of the lease for leased vehicles; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

(3)(a) The department of licensing must maintain and publish a list of all vehicle models qualifying for the tax exemptions under this section or RCW 82.12.9999 until the expiration date of this section, and is authorized to issue final rulings on vehicle model qualification for these criteria. A seller is not responsible for repayment of the tax exemption under this section and RCW 82.12.9999 for a vehicle if the department of licensing's published list of qualifying vehicle models on the purchase date or the date

the lease agreement was signed includes the vehicle model and the department of licensing subsequently removes the vehicle model from the published list, and, if applicable, the vehicle meets the qualifying criterion under subsection (1)(a)(iii)(B) of this section and RCW 82.12.9999(1)(a)(iii)(B).

(b) The department of revenue retains responsibility for determining whether a vehicle meets the applicable qualifying criterion under subsection (1)(a)(iii)(B) of this section and RCW 82.12.9999(1)(a)(iii)(B).

~~(4) ((On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

~~(5))~~ By the last day of October 2019, and every six months thereafter until this section expires, based on the best available data, the department must report the following information to the transportation committees of the legislature: The cumulative number of vehicles that qualified for the exemption under this section and RCW 82.12.9999 by month of purchase or lease start and vehicle make and model; the dollar amount of all state retail sales and use taxes exempted on or after the qualification period start date, under this section and RCW 82.12.9999; and estimates of the future costs of leased vehicles that qualified for the exemption under this section and RCW 82.12.9999.

~~((6))~~ (5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Clean alternative fuel" means natural gas, propane, hydrogen, or electricity, when used as a fuel in a motor vehicle that meets the California motor vehicle emission standards in Title 13 of the California Code of Regulations, effective January 1, 2019, and the rules of the Washington state department of ecology.

(b) "Fair market value" has the same meaning as "value of the article used" in RCW 82.12.010.

(c) "New vehicle" has the same meaning as "new motor vehicle" in RCW 46.04.358.

(d) "Qualification period end date" means August 1, 2025.

(e) "Qualification period start date" means August 1, 2019.

(f) "Used vehicle" has the same meaning as in RCW 46.04.660.

~~((7))~~ (6)(a) Sales of vehicles delivered to the buyer or leased vehicles for which the lease agreement was signed after the qualification period end date do not qualify for the exemption under this section.

(b) All leased vehicles that qualified for the exemption under this section before the qualification period end date must continue to receive the exemption as described under subsection (1)(b) of this section on any lease payments due through the remainder of the lease before August 1, 2028.

~~((8))~~ (7) This section expires August 1, 2028.

~~((9))~~ (8) This section is supported by the revenues generated in RCW 46.17.324, and therefore takes effect only if RCW 46.17.324 is enacted by June 30, 2019.

Sec. 306. RCW 82.12.9999 and 2019 c 287 s 10 are each amended to read as follows:

(1) Beginning August 1, 2019, beginning with sales made or lease agreements signed on or after the qualification period start date:

(a) The provisions of this chapter do not apply as provided in (b) of this subsection in respect to the use of new or used

passenger cars, light duty trucks, and medium duty passenger vehicles that:

(i) Are exclusively powered by a clean alternative fuel; or

(ii) Use at least one method of propulsion that is capable of being reenergized by an external source of electricity and are capable of traveling at least ~~((thirty))~~ 30 miles using only battery power; and

(iii)(A) Have a fair market value at the time use tax is imposed for purchased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((forty five thousand dollars))~~ \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((thirty thousand dollars))~~ \$30,000; or

(B) Have a fair market value at the inception of the lease for leased vehicles that:

(I) For a vehicle that is a new vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((forty five thousand dollars))~~ \$45,000; or

(II) For a vehicle that is a used vehicle at the time of the purchase date or the date the lease agreement was signed, does not exceed ~~((thirty thousand dollars))~~ \$30,000;

(b)(i) The exemption in this section is only applicable for up to the amounts specified in (b)(ii) or (iii) of this subsection of:

(A) The total amount of the vehicle's purchase price, for sales made; or

(B) The total lease payments made plus any additional purchase price of the leased vehicle if the original lessee purchases the leased vehicle before the qualification period end date, for lease agreements signed.

(ii) Based on the purchase date or the date the lease agreement was signed of the vehicle if the vehicle is a new vehicle at the time of the purchase date or the date the lease agreement was signed:

(A) From the qualification period start date until July 31, 2021, the maximum amount eligible under (b)(i) of this subsection is ~~((twenty five thousand dollars))~~ \$25,000;

(B) From August 1, 2021, until July 31, 2023, the maximum amount eligible under (b)(i) of this subsection is ~~((twenty thousand dollars))~~ \$20,000;

(C) From August 1, 2023, until July 31, 2025, the maximum amount eligible under (b)(i) of this subsection is ~~((fifteen thousand dollars))~~ \$15,000.

(iii) If the vehicle is a used vehicle at the time of the purchase date or the date the lease agreement was signed, the maximum amount eligible under (b)(i) of this subsection is ~~((sixteen thousand dollars))~~ \$16,000.

(2)(a) The seller must keep records necessary for the department to verify eligibility under this section, except as provided in (b) of this subsection. A person claiming the exemption must also submit itemized information to the department for all vehicles for which an exemption is claimed that must include the following: Vehicle make; vehicle model; model year; whether the vehicle has been sold or leased; date of sale or start date of lease; length of lease; fair market value of the vehicle; and the total amount qualifying for the incentive claimed for each vehicle, in addition to the future monthly amount to be claimed for each leased vehicle. This information must be provided in a form and manner prescribed by the department.

(b) (a) of this subsection applies only if the seller or person claiming the exemption is a vehicle dealer, as defined under RCW 46.70.011. When the seller is not a vehicle dealer, the department of licensing must establish a process for granting the tax exemption under this section for use tax otherwise collected at the time the ownership of a vehicle is transferred when the vehicle

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qualifies for the use tax exemption under subsection (1)(a) of this section, and must provide any information required under (a) of this subsection that it obtains as part of the vehicle titling and registration process for these vehicles to the department on at least a quarterly basis.

~~(3) ((On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the electric vehicle account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data.~~

~~(4))~~(a) Vehicles purchased or leased vehicles for which the lease agreement was signed after the qualification period end date do not qualify for the exemption under this section.

(b) All leased vehicles that qualified for the exemption under this section before the qualification period end date must continue to receive the exemption as described under subsection (1)(b) of this section on any lease payments due through the remainder of the lease before August 1, 2028.

~~((5))~~ (4) The definitions in RCW 82.08.9999 apply to this section.

~~((6))~~ (5) This section is supported by the revenues generated in RCW 46.17.324, and therefore takes effect only if RCW 46.17.324 is enacted by June 30, 2019.

~~((7))~~ (6) This section expires August 1, 2028.

Sec. 307. RCW 82.04.4496 and 2019 c 287 s 8 are each amended to read as follows:

(1)(a)(i) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter according to the gross vehicle weight rating of the vehicle and the incremental cost of the vehicle purchased above the purchase price of a comparable conventionally fueled vehicle. The credit is limited, as set forth in the table below, to the lesser of the incremental cost amount or the maximum credit amount per vehicle purchased, and subject to a maximum annual credit amount per vehicle class.

Gross Vehicle Weight	Incremental Cost Amount	Maximum Credit Amount Per Vehicle	Maximum Annual Credit Per Vehicle Class
Up to 14,000 pounds	75% of incremental cost	\$25,000	\$2,000,000
14,001 to 26,500 pounds	75% of incremental cost	\$50,000	\$2,000,000
Above 26,500 pounds	75% of incremental cost	\$100,000	\$2,000,000

(ii) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter for up to ~~((fifty))~~ 50 percent of the cost to purchase alternative fuel vehicle infrastructure, tangible personal property that will become a component of alternative fuel vehicle infrastructure, and installation and construction of alternative fuel vehicle infrastructure, but excluding the cost of property acquisition and site improvement related to the installation of alternative fuel vehicle infrastructure. The credit is subject to a maximum annual credit amount of ~~((two million dollars))~~ \$2,000,000.

(b) On September 1st of each year, any unused credits from any category identified in (a) of this subsection must be made available to applicants applying for credits under any other category identified in (a) of this subsection, subject to the

maximum annual and total credit amounts identified in this subsection. The credit established in this section and RCW 82.16.0496 is subject to a maximum annual credit amount of ~~((six million dollars))~~ \$6,000,000, and a maximum total credit amount of ~~((thirty-two and one-half million dollars))~~ \$32,500,000 since the credit became available on July 15, 2015.

(c) The credit provided in (a)(i) of this subsection is available for the lease of a vehicle. The credit amount for a leased vehicle is equal to the credit in (a)(i) of this subsection multiplied by the lease reduction factor. The person claiming the credit for a leased vehicle must be the lessee as identified in the lease contract.

(2) A person who is taxable under this chapter is allowed, subject to the maximum annual credit per category in subsection (1)(a) of this section, a credit against the tax imposed in this chapter for the lesser of ~~((twenty-five thousand dollars))~~ \$25,000 or ~~((fifty))~~ 50 percent of the costs of converting a commercial vehicle to be principally powered by a clean alternative fuel with a United States environmental protection agency certified conversion.

(3) The total credits under subsection (1)(a)(i) of this section may not exceed the lesser of ~~((two hundred fifty thousand dollars))~~ \$250,000 or ~~((twenty-five))~~ 25 vehicles per person per calendar year.

(4) A person may not receive credit under this section for amounts claimed as credits under chapter 82.16 RCW.

(5) Credits are available on a first-in-time basis.

(a) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section, and RCW 82.16.0496, during any calendar year to exceed ~~((six million dollars))~~ \$6,000,000. The department must provide notification on its website monthly on the amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide annual limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(b) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed beginning July 15, 2015, under this section and RCW 82.16.0496 to exceed ~~((thirty-two and one-half million dollars))~~ \$32,500,000. The department must provide notification on its website monthly on the total amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(6) For the purposes of the limits provided in this section, a credit must be counted against such limits for the calendar year in which the credit is earned.

(7) To claim a credit under this section a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. No refunds may be granted for credits under this section.

(8) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number of the applicant;

(ii) A quote or unexecuted copy of the purchase requisition or order for the vehicle, infrastructure, infrastructure components, infrastructure construction, or infrastructure installation;

(iii) The type of alternative fuel to be used by the vehicle or supported by the infrastructure;

(iv) The incremental cost of the alternative fuel system for

vehicle credits;

(v) The anticipated delivery date of the vehicle, the anticipated delivery date of the infrastructure or infrastructure components, the anticipated construction completion date of the infrastructure, or the anticipated installation completion date of the infrastructure;

(vi) The estimated annual fuel use of the vehicle in the anticipated duties or the estimated annual fuel to be supplied by the infrastructure;

(vii) The gross weight of each vehicle for vehicle credits;

(viii) For leased vehicles, a copy of the lease contract that includes the gross capitalized cost, residual value, and name of the lessee; and

(ix) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Within ~~((fifteen))~~ 15 days of notice of credit availability from the department, provide notice of intent to claim the credit including:

(i) A copy of the order for the vehicle or infrastructure-related item, including the total cost for the vehicle or infrastructure-related item;

(ii) The anticipated delivery date of the vehicle or infrastructure or infrastructure component, which must be within one year of acceptance of the credit;

(iii) The anticipated construction or installation completion date of the infrastructure, which must be within two years of acceptance of the credit; and

(iv) Any other information deemed necessary by the department to support administration or reporting of the program.

(c) Provide final documentation within ~~((thirty))~~ 30 days of receipt of the vehicle or infrastructure or infrastructure components or of completion of construction or installation of the infrastructure, including:

(i) A copy of the final invoice for the vehicle or infrastructure-related items;

(ii) A copy of the factory build sheet or equivalent documentation;

(iii) The vehicle identification number of each vehicle;

(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) Attestations signed by both the seller and purchaser of each vehicle attesting that the incremental cost of the alternative fuel system includes only the costs necessary for the vehicle to run on alternative fuel and no other vehicle options, equipment, or costs; and

(vi) Any other information deemed necessary by the department to support administration or reporting of the program.

(9) A person applying for credit under subsection (8) of this section may apply for multiple vehicles on the same application, but the application must include the required information for each vehicle included in the application. A separate application is required for infrastructure-related items, but all infrastructure-related items at a single location may be included in a single application provided the required information for each infrastructure-related item is included in the application.

(10) To administer the credits, the department must, at a minimum:

(a) Provide notification on its website monthly of the amount of credits that have been applied for, claimed, and the amount remaining before the statewide annual limit and total limit are reached;

(b) Within ~~((fifteen))~~ 15 days of receipt of the application, notify persons applying of the availability of tax credits in the year in which the vehicles or infrastructure applied for are anticipated to be delivered, constructed, or installed;

(c) Within ~~((fifteen))~~ 15 days of receipt of the notice of intent

to claim the tax credit, notify the applicant of the approval, denial, or missing information in their notice; and

(d) Within ~~((fifteen))~~ 15 days of receipt of final documentation, review the documentation and notify the person applying of the acceptance of their final documentation.

(11) If a person fails to supply the information as required in subsection (8) of this section, the department must deny the application.

(12)(a) Taxpayers are only eligible for a credit under this section based on:

(i) Sales or leases of new commercial vehicles and qualifying used commercial vehicles with propulsion units that are principally powered by a clean alternative fuel;

(ii) Costs to modify a commercial vehicle, including sales of tangible personal property incorporated into the vehicle and labor or service expenses incurred in modifying the vehicle, to be principally powered by a clean alternative fuel; or

(iii) Sales of alternative fuel vehicle infrastructure or infrastructure components, or the cost of construction or installation of alternative fuel vehicle infrastructure.

(b) A credit is earned when the purchaser or the lessee takes receipt of the qualifying commercial vehicle or infrastructure-related item, the vehicle conversion is complete, or the construction or installation of the infrastructure is complete.

(13) A credit earned during one calendar year may be carried over to be credited against taxes incurred in the subsequent calendar year, but may not be carried over a second year.

~~((14))~~ ~~((a))~~ Beginning November 25, 2015, and on the 25th of February, May, August, and November of each year thereafter, the department must notify the state treasurer of the amount of credits taken under this section as reported on returns filed with the department during the preceding calendar quarter ending on the last day of December, March, June, and September, respectively.

~~((b))~~ On the last day of March, June, September, and December of each year, the state treasurer, based upon information provided by the department, must transfer a sum equal to the dollar amount of the credit provided under this section from the multimodal transportation account to the general fund.

~~((15))~~ The department must conduct outreach to interested parties to obtain input on how best to streamline the application process required for the credit made available in this section and RCW 82.16.0496 to further adoption of alternative fuel technologies in commercial vehicle fleets, and must incorporate the findings resulting from this outreach effort into the rules and practices it adopts to implement and administer this section and RCW 82.16.0496 to the extent permitted under law.

~~((16))~~ (15) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Alternative fuel vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support a clean alternative fuel vehicle.

(b) "Auto transportation company" means any corporation or person owning, controlling, operating, or managing any motor propelled vehicle, used in the business of transporting persons for compensation over public highways within the state of Washington, between fixed points or over a regular route. For the purposes of this section, "auto transportation company" also includes the following categories of providers irrespective of whether they provide service between fixed points or over a regular route: "Private, nonprofit transportation provider" as defined in RCW 81.66.010, "charter party carrier" as defined in RCW 81.70.020, and paratransit service providers who primarily provide special needs transportation to individuals with disabilities and the elderly.

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(c) "Clean alternative fuel" means electricity, dimethyl ether, hydrogen, methane, natural gas, liquefied natural gas, compressed natural gas, or propane.

(d) "Commercial vehicle" means any commercial vehicle that is purchased by a private business and that is used exclusively in the provision of commercial services or the transportation of commodities, merchandise, produce, refuse, freight, animals, or passengers, and that is displaying a Washington state license plate. All commercial vehicles that provide transportation to passengers must be operated by an auto transportation company.

(e) "Gross capitalized cost" means the agreed upon value of the commercial vehicle and including any other items a person pays over the lease term that are included in such cost.

(f) "Lease reduction factor" means the vehicle gross capitalized cost less the residual value, divided by the gross capitalized cost.

(g) "Qualifying used commercial vehicle" means vehicles that:

(i) Have an odometer reading of less than ~~((four hundred fifty thousand))~~ 450,000 miles;

(ii) Are less than ~~((ten))~~ 10 years past their original date of manufacture;

(iii) Were modified after the initial purchase with a United States environmental protection agency certified conversion that would allow the propulsion units to be principally powered by a clean alternative fuel; and

(iv) Are being sold for the first time after modification.

(h) "Residual value" means the lease-end value of the vehicle as determined by the lessor, at the end of the lease term included in the lease contract.

~~((47))~~ (16) Credits may be earned under this section from January 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached, except for credits for leased vehicles, which may be earned from July 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached.

Sec. 308. RCW 82.16.0496 and 2019 c 287 s 13 are each amended to read as follows:

(1)(a)(i) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter according to the gross vehicle weight rating of the vehicle and the incremental cost of the vehicle purchased above the purchase price of a comparable conventionally fueled vehicle. The credit is limited, as set forth in the table below, to the lesser of the incremental cost amount or the maximum credit amount per vehicle purchased, and subject to a maximum annual credit amount per vehicle class.

Gross Vehicle Weight	Incremental Cost Amount	Maximum Credit Amount Per Vehicle	Maximum Annual Credit Per Vehicle Class
Up to 14,000 pounds	75% of incremental cost	\$25,000	\$2,000,000
14,001 to 26,500 pounds	75% of incremental cost	\$50,000	\$2,000,000
Above 26,500 pounds	75% of incremental cost	\$100,000	\$2,000,000

(ii) A person who is taxable under this chapter is allowed a credit against the tax imposed in this chapter for up to ~~((fifty))~~ 50 percent of the cost to purchase alternative fuel vehicle infrastructure, tangible personal property that will become a component of alternative fuel vehicle infrastructure, and installation and construction of alternative fuel vehicle infrastructure, but excluding the cost of property acquisition and

site improvement related to the installation of alternative fuel vehicle infrastructure. The credit is subject to a maximum annual credit amount of ~~((two million dollars))~~ \$2,000,000.

(b) On September 1st of each year, any unused credits from any category identified in (a) of this subsection must be made available to applicants applying for credits under any other category identified in (a) of this subsection, subject to the maximum annual and total credit amounts identified in this subsection. The credit established in this section and RCW 82.04.4496 is subject to a maximum annual credit amount of ~~((six million dollars))~~ \$6,000,000, and a maximum total credit amount of ~~((thirty two and one half million dollars))~~ \$32,500,000 beginning July 15, 2015.

(c) The credit provided in (a)(i) of this subsection is available for the lease of a vehicle. The credit amount for a leased vehicle is equal to the credit in (a)(i) of this subsection multiplied by the lease reduction factor. The person claiming the credit for a leased vehicle must be the lessee as identified in the lease contract.

(2) A person who is taxable under this chapter is allowed, subject to the maximum annual credit per category in subsection (1)(a) of this section, a credit against the tax imposed in this chapter for the lesser of ~~((twenty five thousand dollars))~~ \$25,000 or ~~((fifty))~~ 50 percent of the costs of converting a commercial vehicle to be principally powered by a clean alternative fuel with a United States environmental protection agency certified conversion.

(3) The total credits under subsection (1)(a)(i) of this section may not exceed the lesser of ~~((two hundred fifty thousand dollars))~~ \$250,000 or ~~((twenty five))~~ 25 vehicles per person per calendar year.

(4) A person may not receive credit under this section for amounts claimed as credits under chapter 82.04 RCW.

(5) Credits are available on a first-in-time basis.

(a) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section, and RCW 82.04.4496, during any calendar year to exceed ~~((six million dollars))~~ \$6,000,000. The department must provide notification on its website monthly on the amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide annual limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(b) The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed beginning July 15, 2015, under this section and RCW 82.04.4496 to exceed ~~((thirty two and one half million dollars))~~ \$32,500,000. The department must provide notification on its website monthly on the total amount of credits that have been applied for, the amount issued, and the amount remaining before the statewide limit is reached. In addition, the department must provide written notice to any person who has applied to claim tax credits in excess of the limitation in this subsection.

(6) For the purposes of the limits provided in this section, a credit must be counted against such limits for the calendar year in which the credit is earned.

(7) To claim a credit under this section a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. No refunds may be granted for credits under this section.

(8) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number

of the applicant;

(ii) A quote or unexecuted copy of the purchase requisition or order for the vehicle, infrastructure, infrastructure components, infrastructure construction, or infrastructure installation;

(iii) The type of alternative fuel to be used by the vehicle or supported by the infrastructure;

(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) The anticipated delivery date of the vehicle, the anticipated delivery date of the infrastructure or infrastructure components, the anticipated construction completion date of the infrastructure, or the anticipated installation completion date of the infrastructure;

(vi) The estimated annual fuel use of the vehicle in the anticipated duties or the estimated annual fuel to be supplied by the infrastructure;

(vii) The gross weight of each vehicle for vehicle credits;

(viii) For leased vehicles, a copy of the lease contract that includes the gross capitalized cost, residual value, and name of the lessee; and

(ix) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Within ~~((fifteen))~~ 15 days of notice of credit availability from the department, provide notice of intent to claim the credit including:

(i) A copy of the order for the vehicle or infrastructure-related item, including the total cost for the vehicle or infrastructure-related item;

(ii) The anticipated delivery date of the vehicle or infrastructure or infrastructure component, which must be within one year of acceptance of the credit;

(iii) The anticipated construction or installation completion date of the infrastructure, which must be within two years of acceptance of the credit; and

(iv) Any other information deemed necessary by the department to support administration or reporting of the program.

(c) Provide final documentation within ~~((thirty))~~ 30 days of receipt of the vehicle or infrastructure or infrastructure components or of completion of construction or installation of the infrastructure, including:

(i) A copy of the final invoice for the vehicle or infrastructure-related items;

(ii) A copy of the factory build sheet or equivalent documentation;

(iii) The vehicle identification number of each vehicle;

(iv) The incremental cost of the alternative fuel system for vehicle credits;

(v) Attestations signed by both the seller and purchaser of the vehicle attesting that the incremental cost of the alternative fuel system includes only the costs necessary for the vehicle to run on alternative fuel and no other vehicle options, equipment, or costs; and

(vi) Any other information deemed necessary by the department to support administration or reporting of the program.

(9) A person applying for credit under subsection (8) of this section may apply for multiple vehicles on the same application, but the application must include the required information for each vehicle included in the application. A separate application is required for infrastructure-related items, but all infrastructure-related items at a single location may be included in a single application provided the required information for each infrastructure-related item is included in the application.

(10) To administer the credits, the department must, at a minimum:

(a) Provide notification on its website monthly of the amount of credits that have been applied for, claimed, and the amount

remaining before the statewide annual limit and total limit are reached;

(b) Within ~~((fifteen))~~ 15 days of receipt of the application, notify persons applying of the availability of tax credits in the year in which the vehicles or infrastructure applied for are anticipated to be delivered, constructed, or installed;

(c) Within ~~((fifteen))~~ 15 days of receipt of the notice of intent to claim the tax credit, notify the applicant of the approval, denial, or missing information in their notice; and

(d) Within ~~((fifteen))~~ 15 days of receipt of final documentation, review the documentation and notify the person applying of the acceptance of their final documentation.

(11) If a person fails to supply the information as required in subsection (8) of this section, the department must deny the application.

(12)(a) Taxpayers are only eligible for a credit under this section based on:

(i) Sales or leases of new commercial vehicles and qualifying used commercial vehicles with propulsion units that are principally powered by a clean alternative fuel;

(ii) Costs to modify a commercial vehicle, including sales of tangible personal property incorporated into the vehicle and labor or service expenses incurred in modifying the vehicle, to be principally powered by a clean alternative fuel; or

(iii) Sales of alternative fuel vehicle infrastructure or infrastructure components, or the cost of construction or installation of alternative fuel vehicle infrastructure.

(b) A credit is earned when the purchaser or the lessee takes receipt of the qualifying commercial vehicle or infrastructure-related item, the vehicle conversion is complete, or the construction or installation of the infrastructure is complete.

(13) The definitions in RCW 82.04.4496 apply to this section.

(14) A credit earned during one calendar year may be carried over to be credited against taxes incurred in the subsequent calendar year, but may not be carried over a second year.

~~((15))((a) Beginning November 25, 2015, and on the 25th of February, May, August, and November of each year thereafter, the department must notify the state treasurer of the amount of credits taken under this section as reported on returns filed with the department during the preceding calendar quarter ending on the last day of December, March, June, and September, respectively.~~

~~((b) On the last day of March, June, September, and December of each year, the state treasurer, based upon information provided by the department, must transfer a sum equal to the dollar amount of the credit provided under this section from the multimodal transportation account to the general fund.~~

~~((16))~~ Credits may be earned under this section from January 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached, except for credits for leased vehicles, which may be earned from July 1, 2016, until the maximum total credit amount in subsection (1)(b) of this section is reached.

Sec. 309. RCW 82.08.816 and 2019 c 287 s 11 are each amended to read as follows:

(1) The tax imposed by RCW 82.08.020 does not apply to:

(a) The sale of batteries or fuel cells for electric vehicles, including batteries or fuel cells sold as a component of an electric bus at the time of the vehicle's sale;

(b) The sale of or charge made for labor and services rendered in respect to installing, repairing, altering, or improving electric vehicle batteries or fuel cells;

(c) The sale of or charge made for labor and services rendered in respect to installing, constructing, repairing, or improving battery or fuel cell electric vehicle infrastructure, including hydrogen fueling stations;

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(d) The sale of tangible personal property that will become a component of battery or fuel cell electric vehicle infrastructure during the course of installing, constructing, repairing, or improving battery or fuel cell electric vehicle infrastructure; and

(e) The sale of zero emissions buses.

(2) Sellers may make tax exempt sales under this section only if the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

~~(3) ((On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the multimodal transportation account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

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

(a) "Battery charging station" means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries within electric vehicles, which meet or exceed any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(b) "Battery exchange station" means a fully automated facility that will enable an electric vehicle with a swappable battery to enter a drive lane and exchange the depleted battery with a fully charged battery through a fully automated process, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(c) "Electric vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support a battery or fuel cell electric vehicle, including battery charging stations, rapid charging stations, battery exchange stations, fueling stations that provide hydrogen for fuel cell electric vehicles, and renewable hydrogen production facilities.

(d) "Rapid charging station" means an industrial grade electrical outlet that allows for faster recharging of electric vehicle batteries through higher power levels, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(e) "Renewable hydrogen" means hydrogen produced using renewable resources both as the source for hydrogen and the source for the energy input into the production process.

(f) "Renewable resource" means (i) water; (ii) wind; (iii) solar energy; (iv) geothermal energy; (v) renewable natural gas; (vi) renewable hydrogen; (vii) wave, ocean, or tidal power; (viii) biodiesel fuel that is not derived from crops raised on land cleared from old growth or first growth forests; or (ix) biomass energy.

(g) "Zero emissions bus" means a bus that emits no exhaust gas from the onboard source of power, other than water vapor.

~~((§))~~ (4) This section expires July 1, 2025.

Sec. 310. RCW 82.12.816 and 2019 c 287 s 12 are each amended to read as follows:

(1) The tax imposed by RCW 82.12.020 does not apply to the use of:

(a) Electric vehicle batteries or fuel cells, including batteries or fuel cells sold as a component of an electric bus at the time of the vehicle's sale;

(b) Labor and services rendered in respect to installing, repairing, altering, or improving electric vehicle batteries or fuel cells;

(c) Tangible personal property that will become a component of battery or fuel cell electric vehicle infrastructure during the course of installing, constructing, repairing, or improving battery or fuel cell electric vehicle infrastructure; and

(d) Zero emissions buses.

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

(a) "Battery charging station" means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries within electric vehicles, which meet or exceed any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(b) "Battery exchange station" means a fully automated facility that will enable an electric vehicle with a swappable battery to enter a drive lane and exchange the depleted battery with a fully charged battery through a fully automated process, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(c) "Electric vehicle infrastructure" means structures, machinery, and equipment necessary and integral to support a battery or fuel cell electric vehicle, including battery charging stations, rapid charging stations, battery exchange stations, fueling stations that provide hydrogen for fuel cell electric vehicles, and renewable hydrogen production facilities.

(d) "Rapid charging station" means an industrial grade electrical outlet that allows for faster recharging of electric vehicle batteries through higher power levels, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(e) "Renewable hydrogen" means hydrogen produced using renewable resources both as the source for hydrogen and the source for the energy input into the production process.

(f) "Renewable resource" means (i) water; (ii) wind; (iii) solar energy; (iv) geothermal energy; (v) renewable natural gas; (vi) renewable hydrogen; (vii) wave, ocean, or tidal power; (viii) biodiesel fuel that is not derived from crops raised on land cleared from old growth or first growth forests; or (ix) biomass energy.

(g) "Zero emissions bus" means a bus that emits no exhaust gas from the onboard source of power, other than water vapor.

~~(3) ((On the last day of January, April, July, and October of each year, the state treasurer, based upon information provided by the department, must transfer from the multimodal transportation account to the general fund a sum equal to the dollar amount that would otherwise have been deposited into the general fund during the prior calendar quarter but for the exemption provided in this section. Information provided by the department to the state treasurer must be based on the best available data, except that the department may provide estimates of taxes exempted under this section until such time as retailers are able to report such exempted amounts on their tax returns.~~

(4)) This section expires July 1, 2025.

Sec. 311. RCW 82.70.040 and 2016 c 32 s 3 are each amended to read as follows:

(1)(a) The department must keep a running total of all credits allowed under RCW 82.70.020 during each fiscal year. The department may not allow any credits that would cause the total amount allowed to exceed ~~((two million seven hundred fifty thousand dollars))~~ \$2,750,000 in any fiscal year.

(b) If the total amount of credit applied for by all applicants in

any year exceeds the limit in this subsection, the department must ratably reduce the amount of credit allowed for all applicants so that the limit in this subsection is not exceeded. If a credit is reduced under this subsection, the amount of the reduction may not be carried forward and claimed in subsequent fiscal years.

(2)(a) Tax credits under RCW 82.70.020 may not be claimed in excess of the amount of tax otherwise due under chapter 82.04 or 82.16 RCW.

(b) Through June 30, 2005, a person with taxes equal to or in excess of the credit under RCW 82.70.020, and therefore not subject to the limitation in (a) of this subsection, may elect to defer tax credits for a period of not more than three years after the year in which the credits accrue. For credits approved by the department through June 30, 2015, the approved credit may be carried forward and used for tax reporting periods through December 31, 2016. Credits approved after June 30, 2015, must be used for tax reporting periods within the calendar year for which they are approved by the department and may not be carried forward to subsequent tax reporting periods. Credits carried forward as authorized by this subsection are subject to the limitation in subsection (1)(a) of this section for the fiscal year for which the credits were originally approved.

(3) No person may be approved for tax credits under RCW 82.70.020 in excess of ~~((one hundred thousand dollars))~~ \$100,000 in any fiscal year. This limitation does not apply to credits carried forward from prior years under subsection (2)(b) of this section.

(4) No person may claim tax credits after June 30, 2024.

~~((5) No person is eligible for tax credits under RCW 82.70.020 if the additional revenues for the multimodal transportation account created by chapter 361, Laws of 2003 are terminated.)~~

Sec. 312. RCW 82.70.050 and 2015 3rd sp.s. c 44 s 415 are each amended to read as follows:

~~((4))~~ The director must on the 25th of February, May, August, and November of each year advise the state treasurer of the amount of credit taken under RCW 82.70.020 during the preceding calendar quarter ending on the last day of December, March, June, and September, respectively.

~~((2) On the last day of March, June, September, and December of each year, the state treasurer, based upon information provided by the department, must deposit to the general fund a sum equal to the dollar amount of the credit provided under RCW 82.70.020 from the multimodal transportation account.~~

~~((3) This section expires January 1, 2025.)~~

Sec. 313. RCW 82.21.030 and 2021 c 333 s 705 are each amended to read as follows:

(1)(a) A tax is imposed on the privilege of possession of hazardous substances in this state. Except as provided in (b) of this subsection, the rate of the tax is seven-tenths of one percent multiplied by the wholesale value of the substance. Moneys collected under this subsection (1)(a) must be deposited in the model toxics control capital account.

(b) Beginning July 1, 2019, the rate of the tax on petroleum products is one dollar and nine cents per barrel. The tax collected under this subsection (1)(b) on petroleum products must be deposited as follows, after first depositing the tax as provided in (c) of this subsection, except that during the 2021-2023 biennium the deposit as provided in (c) of this subsection may be prorated equally across each month of the biennium:

(i) Sixty percent to the model toxics control operating account created under RCW 70A.305.180;

(ii) Twenty-five percent to the model toxics control capital account created under RCW 70A.305.190; and

(iii) Fifteen percent to the model toxics control stormwater account created under RCW 70A.305.200.

(c) Until the beginning of the ensuing biennium after the enactment of an additive transportation funding act, ~~((fifty million~~

~~dollars))~~ \$50,000,000 per biennium to the motor vehicle fund to be used exclusively for transportation stormwater activities and projects. For purposes of this subsection, "additive transportation funding act" means an act enacted after June 30, 2023, in which the combined total of new revenues deposited into the motor vehicle fund and the multimodal transportation account exceed ~~((two billion dollars))~~ \$2,000,000,000 per biennium attributable solely to an increase in revenue from the enactment of the act.

(d) The department must compile a list of petroleum products that are not easily measured on a per barrel basis. Petroleum products identified on the list are subject to the rate under (a) of this subsection in lieu of the volumetric rate under (b) of this subsection. The list will be made in a form and manner prescribed by the department and must be made available on the department's internet website. In compiling the list, the department may accept technical assistance from persons that sell, market, or distribute petroleum products and consider any other resource the department finds useful in compiling the list.

(2) Chapter 82.32 RCW applies to the tax imposed in this chapter. The tax due dates, reporting periods, and return requirements applicable to chapter 82.04 RCW apply equally to the tax imposed in this chapter.

(3) Beginning July 1, 2020, and every July 1st thereafter, the rate specified in subsection (1)(b) of this section must be adjusted to reflect the percentage change in the implicit price deflator for nonresidential structures as published by the United States department of commerce, bureau of economic analysis for the most recent ~~((twelve month))~~ 12-month period ending December 31st of the prior year.

Part IV

Account Creation, Local Options, and Other Provisions

NEW SECTION. Sec. 401. A new section is added to chapter 46.68 RCW to read as follows:

The move ahead WA account is created in the motor vehicle fund. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as move ahead WA projects or improvements in an omnibus transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements.

NEW SECTION. Sec. 402. A new section is added to chapter 46.68 RCW to read as follows:

The move ahead WA flexible 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 transportation projects, programs, or activities identified as move ahead WA projects, programs, or activities in an omnibus transportation appropriations act.

Sec. 403. RCW 43.84.092 and 2021 c 199 s 504 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to

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implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the climate active transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-

purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state

university permanent fund shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 404. RCW 43.84.092 and 2021 c 199 s 505 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the cleanup settlement account, the climate active transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred

compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation future funding

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program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 405. RCW 82.47.020 and 1991 c 173 s 1 are each amended to read as follows:

(1) The legislative authority of a border area jurisdiction may, by resolution for the purposes authorized in this chapter and by approval of a majority of the registered voters of the jurisdiction voting on the proposition at a general or special election, fix and impose an excise tax on the retail sale of motor vehicle fuel and special fuel within the jurisdiction. An election held under this section must be held not more than ~~((twelve))~~ 12 months before the date on which the proposed tax is to be levied. The ballot setting forth the proposition ~~((shall))~~ must state the tax rate that is proposed. The rate of such tax ~~((shall be in increments of one-tenth of a cent per gallon and shall))~~ may not exceed ((one cent)) two cents per gallon for ballot propositions submitted in calendar year 2022. For ballot propositions submitted after calendar year 2022, this two cents per gallon maximum tax rate may be adjusted to reflect the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published by the bureau of economic analysis of the federal department of commerce, for the period of time between calendar year 2022 and when the tax is placed on the ballot for voter approval.

(2) The tax imposed in this section shall be collected and paid to the jurisdiction but once in respect to any motor vehicle fuel or special fuel. This tax shall be in addition to any other tax authorized or imposed by law.

(3) For purposes of this chapter, the term "border area

jurisdictions" means all cities and towns within ~~((ten))~~ 10 miles of an international border crossing and any transportation benefit district established under RCW 36.73.020 which has within its boundaries an international border crossing.

Sec. 406. RCW 36.73.065 and 2015 3rd sp.s. c 44 s 309 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, taxes, fees, charges, and tolls may not be imposed by a district without approval of a majority of the voters in the district voting on a proposition at a general or special election. The proposition must include a specific description of: (a) The transportation improvement or improvements proposed by the district; (b) any rebate program proposed to be established under RCW 36.73.067; and (c) the proposed taxes, fees, charges, and the range of tolls imposed by the district to raise revenue to fund the improvement or improvements or rebate program, as applicable.

(2) Voter approval under this section must be accorded substantial weight regarding the validity of a transportation improvement as defined in RCW 36.73.015.

(3) A district may not increase any taxes, fees, charges, or range of tolls imposed or change a rebate program under this chapter once the taxes, fees, charges, tolls, or rebate program takes effect, except:

(a) If authorized by the district voters pursuant to RCW 36.73.160;

(b) With respect to a change in a rebate program, a material change policy adopted pursuant to RCW 36.73.160 is followed and the change does not reduce the percentage level or rebate amount;

(c) For up to ~~((forty dollars))~~ \$40 of the vehicle fee authorized in RCW 82.80.140 by the governing board of the district if a vehicle fee of ~~((twenty dollars))~~ \$20 has been imposed for at least ~~((twenty-four))~~ 24 months; ~~((or))~~

(d) For up to ~~((fifty dollars))~~ \$50 of the vehicle fee authorized in RCW 82.80.140 by the governing board of the district if a vehicle fee of ~~((forty dollars))~~ \$40 has been imposed for at least ~~((twenty-four))~~ 24 months and a district has met the requirements of subsection (6) of this section; or

(e) For up to three-tenths of one percent of the selling price, in the case of a sales tax, or value of the article used, in the case of a use tax, pursuant to the sales and use tax authorized in RCW 82.14.0455.

(4)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district may impose by a majority vote of the governing board of the district the following fees, taxes, and charges:

(i) Up to ~~((twenty dollars))~~ \$20 of the vehicle fee authorized in RCW 82.80.140;

(ii) Up to ~~((forty dollars))~~ \$40 of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of ~~((twenty dollars))~~ \$20 has been imposed for at least ~~((twenty-four))~~ 24 months;

(iii) Up to ~~((fifty dollars))~~ \$50 of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of forty dollars has been imposed for at least ~~((twenty-four))~~ 24 months and a district has met the requirements of subsection (6) of this section; ~~((or))~~

(iv) A fee or charge in accordance with RCW 36.73.120; or

(v) Up to one-tenth of one percent of the sales and use tax in accordance with RCW 82.14.0455.

(b) The vehicle fee authorized in (a) of this subsection may only be imposed for a passenger-only ferry transportation improvement if the vehicle fee is first approved by a majority of the voters within the jurisdiction of the district.

(c)(i) A district solely comprised of a city or cities may not impose the fees or charges identified in (a) of this subsection within ~~((one hundred eighty))~~ 180 days after July 22, 2007, unless

the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection within the ~~((one hundred eighty day))~~ 180-day period; or

(ii) A district solely comprised of a city or cities identified in RCW 36.73.020(6)(b) may not impose the fees or charges until after May 22, 2008, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection through May 22, 2008.

(5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be reached, a district that includes only the unincorporated territory of a county may impose by a majority vote of the governing body of the district up to: (a) ~~((Twenty dollars))~~ \$20 of the vehicle fee authorized in RCW 82.80.140, (b) ~~((forty dollars))~~ \$40 of the vehicle fee authorized in RCW 82.80.140 if a fee of ~~((twenty dollars))~~ \$20 has been imposed for at least ~~((twenty-four))~~ 24 months, or (c) ~~((fifty dollars))~~ \$50 of the vehicle fee authorized in RCW 82.80.140 if a vehicle fee of ~~((forty dollars))~~ \$40 has been imposed for at least ~~((twenty-four))~~ 24 months and a district has met the requirements of subsection (6) of this section.

(6) If a district intends to impose a vehicle fee of more than ~~((forty dollars))~~ \$40 by a majority vote of the governing body of the district, the governing body must publish notice of this intention, in one or more newspapers of general circulation within the district, by April 1st of the year in which the vehicle fee is to be imposed. If within ~~((ninety))~~ 90 days of the date of publication a petition is filed with the county auditor containing the signatures of eight percent of the number of voters registered and voting in the district for the office of the governor at the last preceding gubernatorial election, the county auditor must canvass the signatures in the same manner as prescribed in RCW 29A.72.230 and certify their sufficiency to the governing body within two weeks. The proposition to impose the vehicle fee must then be submitted to the voters of the district at a special election, called for this purpose, no later than the date on which a primary election would be held under RCW 29A.04.311. The vehicle fee may then be imposed only if approved by a majority of the voters of the district voting on the proposition.

Sec. 407. RCW 82.14.0455 and 2010 c 105 s 3 are each amended to read as follows:

(1) Subject to the provisions in RCW 36.73.065, a transportation benefit district under chapter 36.73 RCW may fix and impose a sales and use tax in accordance with the terms of this chapter. The tax authorized in this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the boundaries of the district. The rate of tax shall not exceed ~~((two-tenths))~~ three-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. Except as provided in subsection (2) of this section, the tax may not be imposed for a period exceeding ~~((ten))~~ 10 years ~~((This tax, if not imposed under the conditions of subsection (2) of this section, may be extended for a period not exceeding ten years))~~ unless renewed with an affirmative vote of the voters voting at ~~((the))~~ an election or a majority vote of the governing board of the district. Each renewal by the voters may extend the tax for additional periods not exceeding 10 years. The governing board of the district may only fix, impose, or extend a sales and use tax of up to one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(2) The voter-approved sales tax initially imposed under this section after July 1, 2010, may be imposed for a period exceeding ~~((ten))~~ 10 years if the moneys received under this section are

dedicated for the repayment of indebtedness incurred in accordance with the requirements of chapter 36.73 RCW.

(3) Money received from the tax imposed under this section must be spent in accordance with the requirements of chapter 36.73 RCW.

NEW SECTION. Sec. 408. A new section is added to chapter 70A.535 RCW to read as follows:

(1) The department shall adopt rules that establish standards that reduce carbon intensity in transportation fuels used in Washington. The standards established by the rules must be based on the carbon intensity of gasoline and gasoline substitutes and the carbon intensity of diesel and diesel substitutes. The standards:

(a) Must reduce the overall, aggregate carbon intensity of transportation fuels used in Washington;

(b) May only require carbon intensity reductions at the aggregate level of all transportation fuels and may not require a reduction in carbon intensity to be achieved by any individual type of transportation fuel;

(c) Must assign a compliance obligation to fuels whose carbon intensity exceeds the standards adopted by the department, consistent with the requirements of RCW 70A.535.030; and

(d) Must assign credits that can be used to satisfy or offset compliance obligations to fuels whose carbon intensity is below the standards adopted by the department and that elect to participate in the program, consistent with the requirements of RCW 70A.535.030.

(2) The clean fuels program adopted by the department must be designed such that:

(a) Regulated parties generate deficits and may reconcile the deficits, and thus comply with the clean fuels program standards for a compliance period, by obtaining and retiring credits;

(b) Regulated parties and credit generators may generate credits for fuels used as substitutes or alternatives for gasoline or diesel;

(c) Regulated parties, credit generators, and credit aggregators shall have opportunities to trade credits; and

(d) Regulated parties shall be allowed to carry over to the next compliance period a small deficit without penalty.

(3) The department shall, throughout a compliance period, regularly monitor the availability of fuels needed for compliance with the clean fuels program.

(4)(a) Under the clean fuels program, the department shall monthly calculate the volume-weighted average price of credits and, no later than the last day of the month immediately following the month for which the calculation is completed, post the formula and the nonaggregated data the department used for the calculation and the results of the calculation on the department's website.

(b) In completing the calculation required by this subsection, the department may exclude from the data set credit transfers without a price or other credit transfers made for a price that falls two standard deviations outside of the mean credit price for the month. Data posted on the department's website under this section may not include any individually identifiable information or information that would constitute a trade secret.

(5)(a) Except as provided in this section, the rules adopted under this section must reduce the greenhouse gas emissions attributable to each unit of the fuels to 20 percent below 2017 levels by 2038 based on the following schedule:

(i) No more than 0.5 percent each year in 2023 and 2024;

(ii) No more than an additional one percent each year beginning in 2025 through 2027;

(iii) No more than an additional 1.5 percent each year beginning in 2028 through 2031; and

(iv) No change in 2032 and 2033.

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(b) The rules must establish a start date for the clean fuels program of no later than January 1, 2023.

(6) Beginning with the program year beginning in calendar year 2028, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 10 percent reduction in carbon intensity until the department demonstrates that the following have occurred:

(a) At least a 15 percent net increase in the volume of in-state liquid biofuel production and the use of feedstocks grown or produced within the state relative to the start of the program; and

(b) At least one new or expanded biofuel production facility representing an increase in production capacity or producing, in total, in excess of 60,000,000 gallons of biofuels per year has or have received after July 1, 2021, all necessary siting, operating, and environmental permits post all timely and applicable appeals. As part of the threshold of 60,000,000 gallons of biofuel under this subsection, at least one new facility producing at least 10,000,000 gallons per year must have received all necessary siting, operating, and environmental permits. Timely and applicable appeals must be determined by the attorney general's office.

(7) Beginning with the program year beginning in calendar year 2031, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 10 percent reduction in carbon intensity until the:

(a) Joint legislative audit and review committee report required in RCW 70A.535.140 has been completed; and

(b) 2033 regular legislative session has adjourned, in order to allow an opportunity for the legislature to amend the requirements of this chapter in light of the report required in (a) of this subsection.

(8) Transportation fuels exported from Washington are not subject to the greenhouse gas emissions reduction requirements in this section.

(9) To the extent the requirements of this chapter conflict with the requirements of chapter 19.112 RCW, the requirements of this chapter prevail.

Sec. 409. RCW 70A.535.010 and 2021 c 317 s 2 are each amended to read as follows:

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

(1) "Carbon dioxide equivalents" has the same meaning as defined in RCW 70A.45.010.

(2) "Carbon intensity" means the quantity of life-cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO₂e/MJ).

(3) "Clean fuels program" means the requirements established under this chapter.

(4) "Cost" means an expense connected to the manufacture, distribution, or other aspects of the provision of a transportation fuel product.

(5) "Credit" means a unit of measure generated when a transportation fuel with a carbon intensity that is less than the applicable standard adopted by the department under ((~~RCW 70A.535.020~~)) section 408 of this act is produced, imported, or dispensed for use in Washington, such that one credit is equal to one metric ton of carbon dioxide equivalents. A credit may also be generated through other activities consistent with this chapter.

(6) "Deficit" means a unit of measure generated when a transportation fuel with a carbon intensity that is greater than the applicable standard adopted by the department under ((~~RCW 70A.535.020~~)) section 408 of this act is produced, imported, or

dispensed for use in Washington, such that one deficit is equal to one metric ton of carbon dioxide equivalents.

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

(8) "Electric utility" means a consumer-owned utility or investor-owned utility, as those terms are defined in RCW 19.29A.010.

(9) "Greenhouse gas" has the same meaning as defined in RCW 70A.45.010.

(10) "Military tactical vehicle" means a motor vehicle owned by the United States department of defense or the United States military services and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(11) "Motor vehicle" has the same meaning as defined in RCW 46.04.320.

(12) "Price" means the amount of payment or compensation provided as consideration for a specified quantity of transportation fuel by a consumer or end user of the transportation fuel.

(13) "Regulated party" means a producer or importer of any amount of a transportation fuel that is ineligible to generate credits under this chapter.

(14)(a) "Tactical support equipment" means equipment using a portable engine, including turbines, that meets military specifications, owned by the United States military services or its allies, and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(b) "Tactical support equipment" includes, but is not limited to, engines associated with portable generators, aircraft start carts, heaters, and lighting carts.

(15) "Transportation fuel" means electricity and any liquid or gaseous fuel sold, supplied, offered for sale, or used for the propulsion of a motor vehicle or that is intended for use for transportation purposes.

Sec. 410. RCW 70A.535.030 and 2021 c 317 s 4 are each amended to read as follows:

The rules adopted by the department to achieve the greenhouse gas emissions reductions per unit of fuel energy specified in ((~~RCW 70A.535.020~~)) section 408 of this act must include, but are not limited to, the following:

(1) Standards for greenhouse gas emissions attributable to the transportation fuels throughout their life cycles, including but not limited to emissions from the production, storage, transportation, and combustion of transportation fuels and from changes in land use associated with transportation fuels and any permanent greenhouse gas sequestration activities.

(a) The rules adopted by the department under this subsection (1) may:

(i) Include provisions to address the efficiency of a fuel as used in a powertrain as compared to a reference fuel;

(ii) Consider carbon intensity calculations for transportation fuels developed by national laboratories or used by similar programs in other states; and

(iii) Consider changes in land use and any permanent greenhouse gas sequestration activities associated with the production of any type of transportation fuel.

(b) The rules adopted by the department under this subsection (1) must:

(i) Neutrally consider the life-cycle emissions associated with transportation fuels with respect to the political jurisdiction in which the fuels originated and may not discriminate against fuels on the basis of having originated in another state or jurisdiction. Nothing in this subsection may be construed to prohibit inclusion or assessment of emissions related to fuel production, storage,

transportation, or combustion or associated changes in land use in determining the carbon intensity of a fuel;

(ii) Measure greenhouse gas emissions associated with electricity and hydrogen based on a mix of generation resources specific to each electric utility participating in the clean fuels program. The department may apply an asset-controlling supplier emission factor certified or approved by a similar program to reduce the greenhouse gas emissions associated with transportation fuels in another state;

(iii) Include mechanisms for certifying electricity that has a carbon intensity of zero. This electricity must include, at minimum, electricity:

(A) For which a renewable energy credit or other environmental attribute has been retired or used; and

(B) Produced using a zero emission resource including, but not limited to, solar, wind, geothermal, or the industrial combustion of biomass consistent with RCW 70A.45.020(3), that is directly supplied as a transportation fuel by the generator of the electricity to a metered customer for electric vehicle charging or refueling;

(iv) Allow the generation of credits associated with electricity with a carbon intensity lower than that of standard adopted by the department. The department may not require electricity to have a carbon intensity of zero in order to be eligible to generate credits from use as a transportation fuel; and

(v) Include procedures for setting and adjusting the amounts of greenhouse gas emissions per unit of fuel energy that is assigned to transportation fuels under this subsection.

(c) If the department determines that it is necessary for purposes of accurately measuring greenhouse gas emissions associated with transportation fuels, the department may require transportation fuel suppliers to submit data or information to be used for purposes of calculating greenhouse gas emissions that is different from or additional to the greenhouse gas emissions data reported under RCW 70A.15.2200(5)(a)(iii).

(d) If the department determines that it is necessary for purposes of accurately measuring greenhouse gas emissions associated with electricity supplied to retail customers or hydrogen production facilities by an electric utility, the department may require electric utilities participating in the clean fuels program to submit data or information to be used for purposes of calculating greenhouse gas emissions that is different from or additional to the fuel mix disclosure information submitted under chapter 19.29A RCW. To the extent practicable, rules adopted by the department may allow data requested of utilities to be submitted in a form and manner consistent with other required state or federal data submissions;

(2) Provisions allowing for the achievement of limits on the greenhouse gas emissions intensity of transportation fuels in (~~RCW 70A.535.020~~) section 408 of this act to be achieved by any combination of credit generating activities capable of meeting such standards. Where such provisions would not produce results counter to the emission reduction goals of the program or prove administratively burdensome for the department, the rules should provide each participant in the clean fuels program with the opportunity to demonstrate appropriate carbon intensity values taking into account both emissions from production facilities and elsewhere in the production cycle, including changes in land use and permanent greenhouse gas sequestration activities;

(3)(a) Methods for assigning compliance obligations and methods for tracking tradable credits. The department may assign the generation of a credit when a fuel with associated life-cycle greenhouse gas emissions that are lower than the applicable per-unit standard adopted by the department under (~~RCW 70A.535.020~~) section 408 of this act is produced, imported, or dispensed for use in Washington, or when specified activities are undertaken that support the reduction of greenhouse gas

emissions associated with transportation in Washington;

(b) Mechanisms that allow credits to be traded and to be banked for future compliance periods; and

(c) Procedures for verifying the validity of credits and deficits generated under the clean fuels program;

(4) Mechanisms to elect to participate in the clean fuels program for persons associated with the supply chains of transportation fuels that are eligible to generate credits consistent with subsection (3) of this section, including producers, importers, distributors, users, or retailers of such fuels, and electric vehicle manufacturers;

(5) Mechanisms for persons associated with the supply chains of transportation fuels that are used for purposes that are exempt from the clean fuels program compliance obligations including, but not limited to, fuels used by aircraft, vessels, railroad locomotives, and other exempt fuels specified in RCW 70A.535.040, to elect to participate in the clean fuels program by earning credits for the production, import, distribution, use, or retail of exempt fuels with associated life-cycle greenhouse gas emissions lower than the per-unit standard established in (~~RCW 70A.535.020~~) section 408 of this act;

(6) Mechanisms that allow for the assignment of credits to an electric utility for electricity used within its utility service area, at minimum, for residential electric vehicle charging or fueling;

(7) Cost containment mechanisms.

(a) Cost containment mechanisms must include the credit clearance market specified in subsection (8) of this section and may also include, but are not limited to:

(i) Procedures similar to the credit clearance market required in subsection (8) of this section that provide a means of compliance with the clean fuels program requirements in the event that a regulated person has not been able to acquire sufficient volumes of credits at the end of a compliance period; or

(ii) Similar procedures that ensure that credit prices do not significantly exceed credit prices in other jurisdictions that have adopted similar programs to reduce the carbon intensity of transportation fuels.

(b) Any cost containment mechanisms must be designed to provide financial disincentive for regulated persons to rely on the cost containment mechanism for purposes of program compliance instead of seeking to generate or acquire sufficient credits under the program.

(c) The department shall harmonize the program's cost containment mechanisms with the cost containment rules in the states specified in RCW 70A.535.060(1).

(d) The department shall consider mechanisms such as the establishment of a credit price cap or other alternative cost containment measures if deemed necessary to harmonize market credit costs with those in the states specified in RCW 70A.535.060(1);

(8)(a)(i) A credit clearance market for any compliance period in which at least one regulated party reports that the regulated party has a net deficit balance at the end of the compliance period, after retirement of all credits held by the regulated party, that is greater than a small deficit. A regulated party described by this subsection is required to participate in the credit clearance market.

(ii) If a regulated party has a small deficit at the end of a compliance period, the regulated party shall notify the department that it will achieve compliance with the clean fuels program during the compliance period by either: (A) Participating in a credit clearance market; or (B) carrying forward the small deficit.

(b) For the purposes of administering a credit clearance market required by this section, the department shall:

(i) Allow any regulated party, credit generator, or credit aggregator that holds excess credits at the end of the compliance period to voluntarily participate in the credit clearance market as

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a seller by pledging a specified number of credits for sale in the market;

(ii) Require each regulated party participating in the credit clearance market as purchaser of credits to:

(A) Have retired all credits in the regulated party's possession prior to participating in the credit clearance market; and

(B) Purchase the specified number of the total pledged credits that the department has determined are that regulated party's pro rata share of the pledged credits;

(iii) Require all sellers to:

(A) Agree to sell pledged credits at a price no higher than a maximum price for credits;

(B) Accept all offers to purchase pledged credits at the maximum price for credits; and

(C) Agree to withhold any pledged credits from sale in any transaction outside of the credit clearance market until the end of the credit clearance market, or if no credit clearance market is held in a given year, then until the date on which the department announces it will not be held.

(c)(i) The department shall set a maximum price for credits in a credit clearance market, consistent with states that have adopted similar clean fuels programs, not to exceed \$200 in 2018 dollars for 2023.

(ii) For 2024 and subsequent years, the maximum price may exceed \$200 in 2018 dollars, but only to the extent that a greater maximum price for credits is necessary to annually adjust for inflation, beginning on January 1, 2024, pursuant to the increase, if any, from the preceding calendar year in the consumer price index for all urban consumers, west region (all items), as published by the bureau of labor statistics of the United States department of labor.

(d) A regulated party that has a net deficit balance after the close of a credit clearance market:

(i) Must carry over the remaining deficits into the next compliance period; and

(ii) May not be subject to interest greater than five percent, penalties, or assertions of noncompliance that accrue based on the carryover of deficits under this subsection.

(e) If a regulated party has been required under (a) of this subsection to participate as a purchaser in two consecutive credit clearance markets and continues to have a net deficit balance after the close of the second consecutive credit clearance market, the department shall complete, no later than two months after the close of the second credit clearance market, an analysis of the root cause of an inability of the regulated party to retire the remaining deficits. The department may recommend and implement any remedy that the department determines is necessary to address the root cause identified in the analysis including, but not limited to, issuing a deferral, provided that the remedy implemented does not:

(i) Require a regulated party to purchase credits for an amount that exceeds the maximum price for credits in the most recent credit clearance market; or

(ii) Compel a person to sell credits.

(f) If credits sold in a credit clearance market are subsequently invalidated as a result of fraud or any other form of noncompliance on the part of the generator of the credit, the department may not pursue civil penalties against, or require credit replacement by, the regulated party that purchased the credits unless the regulated party was a party to the fraud or other form of noncompliance.

(g) The department may not disclose the deficit balances or pro rata share purchase requirements of a regulated party that participates in the credit clearance market;

(9) Authority for the department to designate an entity to

aggregate and use unclaimed credits associated with persons that elect not to participate in the clean fuels program under subsection (4) of this section.

Sec. 411. RCW 70A.535.040 and 2021 c 317 s 5 are each amended to read as follows:

(1) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act must include exemptions for, at minimum, the following transportation fuels:

(a) Fuels used in volumes below thresholds adopted by the department;

(b) Fuels used for the propulsion of all aircraft, vessels, and railroad locomotives; and

(c) Fuels used for the operation of military tactical vehicles and tactical support equipment.

(2)(a) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act must exempt the following transportation fuels from greenhouse gas emissions intensity reduction requirements until January 1, 2028:

(i) Special fuel used off-road in vehicles used primarily to transport logs;

(ii) Dyed special fuel used in vehicles that are not designed primarily to transport persons or property, that are not designed to be primarily operated on highways, and that are used primarily for construction work including, but not limited to, mining and timber harvest operations; and

(iii) Dyed special fuel used for agricultural purposes exempt from chapter 82.38 RCW.

(b) Prior to January 1, 2028, fuels identified in this subsection (2) are eligible to generate credits, consistent with subsection (5) of this section. Beginning January 1, 2028, the fuels identified in this subsection (2) are subject to the greenhouse gas emissions intensity reduction requirements applicable to transportation fuels specified in (~~RCW 70A.535.020~~) section 408 of this act.

(3) The department may adopt rules to specify the standards for persons to qualify for the exemptions provided in this section. The department may implement the exemptions under subsection (2) of this section to align with the implementation of exemptions for similar fuels exempt from chapter 82.38 RCW.

(4) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act may include exemptions in addition to those described in subsections (1) and (2) of this section, but only if such exemptions are necessary, with respect to the relationship between the program and similar greenhouse gas emissions requirements or low carbon fuel standards, in order to avoid:

(a) Mismatched incentives across programs;

(b) Fuel shifting between markets; or

(c) Other results that are counter to the intent of this chapter.

(5) Nothing in this chapter precludes the department from adopting rules under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act that allow the generation of credits associated with electric or alternative transportation infrastructure that existed prior to July 25, 2021, or to the start date of program requirements. The department must apply the same baseline years to credits associated with electric or alternative transportation infrastructure that apply to gasoline and diesel liquid fuels in any market-based program enacted by the legislature that establishes a cap on greenhouse gas emissions.

Sec. 412. RCW 70A.535.050 and 2021 c 317 s 6 are each amended to read as follows:

(1) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act may allow the generation of credits from activities that support the reduction of greenhouse gas emissions associated with transportation in Washington, including but not limited to:

(a) Carbon capture and sequestration projects, including but not limited to:

(i) Innovative crude oil production projects that include carbon capture and sequestration;

(ii) Project-based refinery greenhouse gas mitigation including, but not limited to, process improvements, renewable hydrogen use, and carbon capture and sequestration; or

(iii) Direct air capture projects;

(b) Investments and activities that support deployment of machinery and equipment used to produce gaseous and liquid fuels from nonfossil feedstocks, and derivatives thereof;

(c) The fueling of battery or fuel cell electric vehicles by a commercial, nonprofit, or public entity that is not an electric utility, which may include, but is not limited to, the fueling of vehicles using electricity certified by the department to have a carbon intensity of zero; and

(d) The use of smart vehicle charging technology that results in the fueling of an electric vehicle during times when the carbon intensity of grid electricity is comparatively low.

(2)(a) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act must allow the generation of credits based on capacity for zero emission vehicle refueling infrastructure, including DC fast charging infrastructure and hydrogen refueling infrastructure.

(b) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act may allow the generation of credits from the provision of low carbon fuel infrastructure not specified in (a) of this subsection.

(3) The rules adopted under RCW (~~70A.535.020 and~~) 70A.535.030 and section 408 of this act must allow the generation of credits from state transportation investments funded in an omnibus transportation appropriations act for activities and projects that reduce greenhouse gas emissions and decarbonize the transportation sector. These include, but are not limited to: (a) Electrical grid and hydrogen fueling infrastructure investments; (b) ferry operating and capital investments; (c) electrification of the state ferry fleet; (d) alternative fuel vehicle rebate programs; (e) transit grants; (f) infrastructure and other costs associated with the adoption of alternative fuel use by transit agencies; (g) bike and pedestrian grant programs and other activities; (h) complete streets and safe walking grants and allocations; (i) rail funding; and (j) multimodal investments.

(4) The rules adopted by the department may establish limits for the number of credits that may be earned each year by persons participating in the program for some or all of the activities specified in subsections (1) and (2) of this section. The department must limit the number of credits that may be earned each year under subsection (3) of this section to 10 percent of the total program credits. Any limits established under this subsection must take into consideration the return on investment required in order for an activity specified in subsection (2) of this section to be financially viable.

(5)(a) In coordination with the department, the Washington state department of transportation must immediately begin work on identifying the amount of credit revenues likely to be generated under subsection (3) of this section from the state transportation investments funded in an omnibus transportation appropriations act, including the move ahead WA transportation package. It is the intent of the legislature that these credits will be maximized to allow further investment in efforts to reduce greenhouse gas emissions and decarbonize the transportation sector including, but not limited to, additional funding in future years, for ferry electrification beyond four new hybrid electric vessels, active transportation, and transit programs and projects.

(b) Beginning November 1, 2022, and annually thereafter, the Washington state department of transportation must present a

detailed projection of the credit revenues generated under subsection (3) of this section and a preferred reinvestment strategy for the revenues for the following 10-year time period to the joint transportation committee.

Sec. 413. RCW 70A.535.120 and 2021 c 317 s 13 are each amended to read as follows:

(1) The director of the department may issue an order declaring an emergency deferral of compliance with the carbon intensity standard established under (~~RCW 70A.535.020~~) section 408 of this act no later than 15 calendar days after the date the department determines, in consultation with the governor's office and the department of commerce, that:

(a) Extreme and unusual circumstances exist that prevent the distribution of an adequate supply of renewable fuels needed for regulated parties to comply with the clean fuels program taking into consideration all available methods of obtaining sufficient credits to comply with the standard;

(b) The extreme and unusual circumstances are the result of a natural disaster, an act of God, a significant supply chain disruption or production facility equipment failure, or another event that could not reasonably have been foreseen or prevented and not the lack of prudent planning on the part of the suppliers of the fuels to the state; and

(c) It is in the public interest to grant the deferral such as when a deferral is necessary to meet projected temporary shortfalls in the supply of the renewable fuel in the state and that other methods of obtaining compliance credits are unavailable to compensate for the shortage of renewable fuel supply.

(2) If the director of the department makes the determination required under subsection (1) of this section, such a temporary extreme and unusual deferral is permitted only if:

(a) The deferral applies only for the shortest time necessary to address the extreme and unusual circumstances;

(b) The deferral is effective for the shortest practicable time period the director of the department determines necessary to permit the correction of the extreme and unusual circumstances; and

(c) The director has given public notice of a proposed deferral.

(3) An order declaring an emergency deferral under this section must set forth:

(a) The duration of the emergency deferral;

(b) The types of fuel to which the emergency deferral applies;

(c) Which of the following methods the department has selected for deferring compliance with the clean fuels program during the emergency deferral:

(i) Temporarily adjusting the scheduled applicable carbon intensity standard to a standard identified in the order that better reflects the availability of credits during the emergency deferral and requiring regulated parties to comply with the temporary standard;

(ii) Allowing for the carryover of deficits accrued during the emergency deferral into the next compliance period without penalty; or

(iii) Suspending deficit accrual during the emergency deferral period.

(4) An emergency deferral may be terminated prior to the expiration date of the emergency deferral if new information becomes available indicating that the shortage that provided the basis for the emergency deferral has ended. The director of the department shall consult with the department of commerce and the governor's office in making an early termination decision. Termination of an emergency deferral is effective 15 calendar days after the date that the order declaring the termination is adopted.

(5)(a) In addition to the emergency deferral specified in subsection (1) of this section, the department may issue a full or

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partial deferral for one calendar quarter of a person's obligation to furnish credits for compliance under RCW 70A.535.030 if it finds that the person is unable to comply with the requirements of this chapter due to reasons beyond the person's reasonable control. The department may initiate a deferral under this subsection at its own discretion or at the request of a person regulated under this chapter. The department may renew issued deferrals. In evaluating whether to issue a deferral under this subsection, the department may consider the results of the fuel supply forecast in RCW 70A.535.100, but is not bound in its decision-making discretion by the results of the forecast.

(b) If the department issues a deferral pursuant to this subsection, the department may:

(i) Direct the person subject to the deferral to file a progress report on achieving full compliance with the requirements of this chapter within an amount of time determined to be reasonable by the department; and

(ii) Direct the person to take specific actions to achieve full compliance with the requirements of this chapter.

(c) The issuance of a deferral under this subsection does not permanently relieve the deferral recipient of the obligation to comply with the requirements of this chapter.

NEW SECTION. Sec. 414. RCW 70A.535.020 (Carbon intensity of transportation fuels—Standards to reduce carbon intensity—Adoption of rules) and 2021 c 317 s 3 are each repealed.

NEW SECTION. Sec. 415. (1) A target is established for the state that all publicly owned and privately owned passenger and light duty vehicles of model year 2030 or later that are sold, purchased, or registered in Washington state be electric vehicles.

(2) On or before December 31, 2023, the interagency electric vehicle coordinating council created in section 428 of this act shall complete a scoping plan for achieving the 2030 target.

NEW SECTION. Sec. 416. A new section is added to chapter 47.66 RCW to read as follows:

(1) The department shall establish a bus and bus facilities grant program. The purpose of this competitive grant program is to provide grants to any transit authority for the replacement, expansion, rehabilitation, and purchase of transit rolling stock; construction, modification, or rehabilitation of transit facilities; and funding to adapt to technological change or innovation through the retrofitting of transit rolling stock and facilities.

(2)(a) The department must incorporate environmental justice principles into the grant selection process, with the goal of increasing the distribution of funding to communities based on addressing environmental harms and provide environmental benefits for overburdened communities, as defined in RCW 70A.02.010, and vulnerable populations.

(b) The department must incorporate geographic diversity into the grant selection process.

(c) No grantee may receive more than 35 percent of the amount appropriated for the grant program in a particular biennium.

(d) Fuel type may not be a factor in the grant selection process.

(3) The department must establish an advisory committee to carry out the mandates of this section, including assisting with the establishment of grant criteria.

(4) The department must report annually to the transportation committees of the legislature on the status of any grant projects funded by the program created under this section.

(5) For the purposes of this section:

(a) "Transit authority" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter

36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, or any special purpose district formed to operate a public transportation system.

(b) "Transit rolling stock" means transit vehicles including, but not limited to, buses, ferries, and vans.

NEW SECTION. Sec. 417. A new section is added to chapter 47.04 RCW to read as follows:

(1) The legislature finds that many communities across Washington state have not equitably benefited from investments in the active transportation network. The legislature also finds that legacy state transportation facilities designed primarily for vehicle use caused disconnections in safe routes for people who walk, bike, and roll to work and to carry out other daily activities.

(2) To address these investment gaps, the connecting communities program is established within the department. The purpose of the program is to improve active transportation connectivity in communities by:

(a) Providing safe, continuous routes for pedestrians, bicyclists, and other nonvehicle users carrying out their daily activities;

(b) Mitigating for the health, safety, and access impacts of transportation infrastructure that bisects communities and creates obstacles in the local active transportation network;

(c) Investing in greenways providing protected routes for a wide variety of nonvehicular users; and

(d) Facilitating the planning, development, and implementation of projects and activities that will improve the connectivity and safety of the active transportation network.

(3) The department must select projects to propose to the legislature for funding. In selecting projects, the department must consider, at a minimum, the following criteria:

(a) Access to a transit facility, community facility, commercial center, or community-identified assets;

(b) The use of minority and women-owned businesses and community-based organizations in planning, community engagement, design, and construction of the project;

(c) Whether the project will serve:

(i) Overburdened communities as defined in RCW 70A.02.010 to mean a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts, and includes, but is not limited to, highly impacted communities as defined in RCW 19.405.020;

(ii) Vulnerable populations as defined in RCW 70A.02.010 to mean population groups that are more likely to be at higher risk for poor health outcomes in response to environmental harms, due to adverse socioeconomic factors, such as unemployment, high housing, and transportation costs relative to income, limited access to nutritious food and adequate health care, linguistic isolation, and other factors that negatively affect health outcomes and increase vulnerability to the effects of environmental harms; and sensitivity factors, such as low birth weight and higher rates of hospitalization. Vulnerable populations include, but are not limited to: Racial or ethnic minorities, low-income populations, populations disproportionately impacted by environmental harms, and populations of workers experiencing environmental harms;

(iii) Household incomes at or below 200 percent of the federal poverty level; and

(iv) People with disabilities;

(d) Environmental health disparities, such as those indicated by the diesel pollution burden portion of the Washington environmental health disparities map developed by the department of health, or other similar indicators;

(e) Location on or adjacent to tribal lands or locations providing essential services to tribal members;

(f) Crash experience involving pedestrians and bicyclists; and
 (g) Identified need by the community, for example in the state active transportation plan or a regional, county, or community plan.

(4) It is the intent of the legislature that the connecting communities program comply with the requirements of chapter 314, Laws of 2021.

(5) The department shall submit a report to the transportation committees of the legislature by December 1, 2022, and each December 1st thereafter identifying the selected connecting communities projects for funding by the legislature. The report must also include the status of previously funded projects.

(6) This section expires July 1, 2027.

NEW SECTION. Sec. 418. A new section is added to chapter 47.24 RCW to read as follows:

(1) In order to improve the safety, mobility, and accessibility of state highways, it is the intent of the legislature that the department must incorporate the principles of complete streets with facilities that provide street access with all users in mind, including pedestrians, bicyclists, and public transportation users, notwithstanding the provisions of RCW 47.24.020 concerning responsibility beyond the curb of state rights-of-way. As such, state transportation projects starting design on or after July 1, 2022, and that are \$500,000 or more, must:

(a) Identify those locations on state rights-of-way that do not have a complete and Americans with disabilities act accessible sidewalk or shared-use path, that do not have bicycle facilities in the form of a bike lane or adjacent parallel trail or shared-use path, that have such facilities on a state route within a population center that has a posted speed in excess of 30 miles per hour and no buffer or physical separation from vehicular traffic for pedestrians and bicyclists, and/or that have a design that hampers the ability of motorists to see a crossing pedestrian with sufficient time to stop given posted speed limits and roadway configuration;

(b) Consult with local jurisdictions to confirm existing and planned active transportation connections along or across the location; identification of connections to existing and planned public transportation services, ferry landings, commuter and passenger rail, and airports; the existing and planned facility type(s) within the local jurisdiction that connect to the location; and the potential use of speed management techniques to minimize crash exposure and severity;

(c) Adjust the speed limit to a lower speed with appropriate modifications to roadway design and operations to achieve the desired operating speed in those locations where this speed management approach aligns with local plans or ordinances, particularly in those contexts that present a higher possibility of serious injury or fatal crashes occurring based on land use context, observed crash data, crash potential, roadway characteristics that are likely to increase exposure, or a combination thereof, in keeping with a safe system approach and with the intention of ultimately eliminating serious and fatal crashes; and

(d) Plan, design, and construct facilities providing context-sensitive solutions that contribute to network connectivity and safety for pedestrians, bicyclists, and people accessing public transportation and other modal connections, such facilities to include Americans with disabilities act accessible sidewalks or shared-use paths, bicyclist facilities, and crossings as needed to integrate the state route into the local network.

(2) Projects undertaken for emergent work required to reopen a state highway in the event of a natural disaster or other emergency repair are not required to comply with the provisions of this section.

(3) Maintenance of facilities constructed under this provision shall be as provided under existing law.

(4) This section does not create a private right of action.

NEW SECTION. Sec. 419. A new section is added to chapter 47.04 RCW to read as follows:

(1) The department shall establish a statewide school-based bicycle education grant program. The grant will support two programs: One for elementary and middle school; and one for junior high and high school aged youth to develop the skills and street safety knowledge to be more confident bicyclists for transportation and/or recreation. In development of the grant program, the department is encouraged to consult with the environmental justice council and the office of equity.

(2)(a) For the elementary and middle school program, the department shall contract with a nonprofit organization with relevant reach and experience, including a statewide footprint and demonstrable experience deploying bicycling and road safety education curriculum via a train the trainer model in schools. The selected nonprofit shall identify partner schools that serve target populations, based on the criteria in subsection (3) of this section. Partner schools shall receive from the nonprofit: In-school bike and pedestrian safety education curriculum, materials, equipment guidance and consultation, and physical education teacher trainings. Youth grades three through eight are eligible for the program.

(b) Selected school districts shall receive and maintain a fleet of bicycles for the youth in the program. Youth and families participating in the school-base bicycle education grant program shall have an opportunity to receive a bike, lock, helmet, and lights free of cost.

(3) For the junior high and high school program, the department shall contract with a nonprofit organization with relevant reach and experience, including a statewide footprint; demonstrable experience developing and managing youth-based programming serving youth of color in an after-school and/or community setting; and deploying bicycling and road safety education curriculum via a train the trainer model. The selected nonprofit shall use the equity-based criteria in subsection (4) of this section to identify target populations and partner organizations including, but not limited to, schools, community-based organizations, housing authorities, and parks and recreation departments, that work with the eligible populations of youth ages 14 to 18. Partner organizations shall receive from the nonprofit: Education curriculum, materials, equipment guidance and consultation, and initial instructor/volunteer training, as well as ongoing support.

(4) In selecting schools and partner organizations for the school-based bicycle education grant program, the department and nonprofit must consider, at a minimum, the following criteria:

(a) Population impacted by poverty, as measured by free and reduced lunch population or 200 percent federal poverty level;

(b) People of color;

(c) People of Hispanic heritage;

(d) People with disabilities;

(e) Environmental health disparities, such as those indicated by the diesel pollution burden portion of the Washington environmental health disparities map developed by the department of health, or other similar indicators;

(f) Location on or adjacent to an Indian reservation;

(g) Geographic location throughout the state;

(h) Crash experience involving pedestrians and bicyclists;

(i) Access to a community facility or commercial center; and

(j) Identified need in the state active transportation plan or a regional, county, or community plan.

(5) The department shall submit a report for both programs to the transportation committees of the legislature by December 1, 2022, and each December 1st thereafter identifying the selected programs and school districts for funding by the legislature. The

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report must also include the status of previously funded programs.

NEW SECTION. Sec. 420. A new section is added to chapter 47.04 RCW to read as follows:

For the purposes of submitting a request by October 1, 2022, to Amtrak to adopt a fare policy change, the department shall negotiate with the Oregon department of transportation to determine ridership, revenue, and policy impacts relating to elimination of fares for Amtrak Cascades passengers 18 years of age and younger. It is the intent of the legislature that fares for passengers 18 years of age and younger for service on the Amtrak Cascades corridor be eliminated. The department shall report back to the transportation committees of the legislature with results of negotiations with the Oregon department of transportation and the status of fare policy requests submitted to Amtrak by December 1, 2022.

NEW SECTION. Sec. 421. A new section is added to chapter 47.60 RCW to read as follows:

Consistent with RCW 47.60.315(1)(b), the commission shall adopt an annual fare policy for Washington state ferries to allow all riders 18 years of age and younger to ride free of charge on all system routes. This fare change must apply to both walk-on passengers and passengers in vehicles. The commission is directed to make the initial fare policy change effective no later than October 1, 2022.

NEW SECTION. Sec. 422. A new section is added to chapter 47.66 RCW to read as follows:

(1) The department shall establish a transit support grant program for the purpose of providing financial support to transit agencies for operating and capital expenses only. Public transit agencies must maintain or increase their local sales tax authority on or after January 1, 2022, in order to qualify for the grants.

(a) Grants for transit agencies must be prorated based on the amount expended for operations in the most recently published report of "Summary of Public Transportation" published by the department.

(b) No transit agency may receive more than 35 percent of these distributions.

(c) Fuel type may not be a factor in the grant selection process.

(2) To be eligible to receive a grant, the transit agency must have adopted, at a minimum, a zero-fare policy that allows passengers 18 years of age and younger to ride free of charge on all modes provided by the agency. Transit agencies must submit documentation of a zero-fare policy for 18 years of age and under by October 1, 2022, to be eligible for the 2023-2025 biennium. Transit agencies that submit such fare policy documentation following the October 1, 2022, deadline shall become eligible for the next biennial distribution.

(3) The department shall, for the purposes of the "Summary of Public Transportation" report, require grantees to report the number of trips that were taken under this program.

(4) For the purposes of this section, "transit agency" or "agency" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter 36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, or any special purpose district formed to operate a public transportation system.

Sec. 423. RCW 46.63.170 and 2020 c 224 s 1 are each amended to read as follows:

(1) The use of automated traffic safety cameras for issuance of notices of infraction is subject to the following requirements:

(a) Except for proposed locations used solely for the pilot program purposes permitted under subsection (6) of this section, the appropriate local legislative authority must prepare an

analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located: (i) Before enacting an ordinance allowing for the initial use of automated traffic safety cameras; and (ii) before adding additional cameras or relocating any existing camera to a new location within the jurisdiction. Automated traffic safety cameras may be used to detect one or more of the following: Stoplight, railroad crossing, ~~((#))~~ school speed zone violations~~((#))~~, speed violations on any roadway identified in a school walk area as defined in RCW 28A.160.160, speed violations in public park speed zones, hospital speed zones, speed violations subject to (c) or (d) of this subsection((#)), or violations included in subsection (6) of this section for the duration of the pilot program authorized under subsection (6) of this section. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to enact an authorizing ordinance. Beginning one year after June 7, 2012, cities and counties using automated traffic safety cameras must post an annual report of the number of traffic accidents that occurred at each location where an automated traffic safety camera is located as well as the number of notices of infraction issued for each camera and any other relevant information about the automated traffic safety cameras that the city or county deems appropriate on the city's or county's website.

(b)(i) Except as provided in (c) and (d) of this subsection and subsection (6) of this section, use of automated traffic safety cameras is restricted to the following locations only: ~~((#))~~ (A) Intersections of two or more arterials with traffic control signals that have yellow change interval durations in accordance with RCW 47.36.022, which interval durations may not be reduced after placement of the camera; ~~((#))~~ (B) railroad crossings; ~~((#))~~ (C) school speed zones; (D) roadways identified in a school walk area as defined in RCW 28A.160.160; (E) public park speed zones, as defined in (b)(ii) of this subsection; and (F) hospital speed zones, as defined in (b)(ii) of this subsection.

(ii) For the purposes of this section:

(A) "Public park speed zone" means the marked area within public park property and extending 300 feet from the border of public park property (I) consistent with active park use; and (II) where signs are posted to indicate the location is within a public park speed zone.

(B) "Hospital speed zone" means the marked area within hospital property and extending 300 feet from the border of hospital property (I) consistent with hospital use; and (II) where signs are posted to indicate the location is within a hospital speed zone, where "hospital" has the same meaning as in RCW 70.41.020.

(c) ~~(Any)~~ In addition to the automated traffic safety cameras authorized under (d) of this subsection, any city west of the Cascade mountains with a population of more than ~~((one hundred ninety five thousand))~~ 195,000 located in a county with a population of fewer than ~~((one million five hundred thousand))~~ 1,500,000 may operate an automated traffic safety camera to detect speed violations subject to the following limitations:

(i) A city may only operate one such automated traffic safety camera within its respective jurisdiction; and

(ii) The use and location of the automated traffic safety camera must have first been authorized by the Washington state legislature as a pilot project for at least one full year.

(d)(i) Cities may operate at least one automated traffic safety camera under this subsection to detect speed violations, subject to the requirements of (d)(ii) of this subsection. Cities may operate one additional automated traffic safety camera to detect speed

violations for every 10,000 residents included in the city's population. Cameras must be placed in locations that comply with one of the following:

(A) The location has been identified as a priority location in a local road safety plan that a city has submitted to the Washington state department of transportation and where other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed;

(B) The location has a significantly higher rate of collisions than the city average in a period of at least three years prior to installation and other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed; or

(C) The location is in an area within the city limits designated by local ordinance as a zone subject to specified restrictions and penalties on racing and race attendance.

(ii) A city locating an automated traffic safety camera under this subsection (1)(d) must complete an equity analysis that evaluates livability, accessibility, economics, education, and environmental health, and shall consider the outcome of that analysis when identifying where to locate an automated traffic safety camera.

(e) All locations where an automated traffic safety camera is used to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection must be clearly marked by placing signs in locations that clearly indicate to a driver either: (i) That the driver is within a school walk area, public park speed zone, or hospital speed zone; or (ii) that the driver is entering an area where speed violations are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(f) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle. The primary purpose of camera placement is to take pictures of the vehicle and vehicle license plate when an infraction is occurring. Cities and counties shall consider installing cameras in a manner that minimizes the impact of camera flash on drivers.

(~~(e)~~) (g) A notice of infraction must be mailed to the registered owner of the vehicle within (~~(fourteen)~~) 14 days of the violation, or to the renter of a vehicle within (~~(fourteen)~~) 14 days of establishing the renter's name and address under subsection (3)(a) of this section. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by an automated traffic safety camera, stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

(~~(f)~~) (h) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (3) of this section. If appropriate under the

circumstances, a renter identified under subsection (3)(a) of this section is responsible for an infraction.

(~~(g)~~) (i) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images, or any other personally identifying data prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image, or any other personally identifying data may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section.

(~~(h)~~) (j) All locations where an automated traffic safety camera is used must be clearly marked at least (~~(thirty)~~) 30 days prior to activation of the camera by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(~~(i)~~) (k) If a county or city has established an authorized automated traffic safety camera program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based only upon the value of the equipment and services provided or rendered in support of the system, and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(l) If a city is operating an automated traffic safety camera to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection, the city shall remit monthly to the state 50 percent of the noninterest money received for infractions issued by those cameras excess of the cost to administer, install, operate, and maintain the automated traffic safety cameras, including the cost of processing infractions. Money remitted under this subsection to the state treasurer shall be deposited in the Cooper Jones active transportation safety account created in RCW 46.68.480. This subsection (1)(l) does not apply to automated traffic safety cameras authorized for stoplight, railroad crossing, or school speed zone violations.

(2) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(2). Except as provided otherwise in subsection (6) of this section, the amount of the fine issued for an infraction generated through the use of an automated traffic safety camera shall not exceed the amount of a fine issued for other parking infractions within the jurisdiction. However, the amount of the fine issued for a traffic control signal violation detected through the use of an automated traffic safety camera shall not exceed the monetary penalty for a violation of RCW 46.61.050 as provided under RCW 46.63.110, including all applicable statutory assessments.

(3) If the registered owner of the vehicle is a rental car business, the law enforcement agency shall, before a notice of infraction being issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within (~~(eighteen)~~) 18 days of receiving the written notice, provide to the

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issuing agency by return mail:

(a) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred; or

(b) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred because the vehicle was stolen at the time of the infraction. A statement provided under this subsection must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty.

Timely mailing of this statement to the issuing law enforcement agency relieves a rental car business of any liability under this chapter for the notice of infraction.

(4) Nothing in this section prohibits a law enforcement officer from issuing a notice of traffic infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(5)(a) For the purposes of this section, "automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit as detected by a speed measuring device.

(b) For the purposes of the pilot program authorized under subsection (6) of this section, "automated traffic safety camera" also includes a device used to detect stopping at intersection or crosswalk violations; stopping when traffic obstructed violations; public transportation only lane violations; and stopping or traveling in restricted lane violations. The device, including all technology defined under "automated traffic safety camera," must not reveal the face of the driver or the passengers in vehicles, and must not use any facial recognition technology in real time or after capturing any information. If the face of any individual in a crosswalk or otherwise within the frame is incidentally captured, it may not be made available to the public nor used for any purpose including, but not limited to, any law enforcement action, except in a pending action or proceeding related to a violation under this section.

(6)(a)(i) A city with a population greater than ~~((five hundred thousand))~~ 500,000 may adopt an ordinance creating a pilot program authorizing automated traffic safety cameras to be used to detect one or more of the following violations: Stopping when traffic obstructed violations; stopping at intersection or crosswalk violations; public transportation only lane violations; and stopping or traveling in restricted lane violations. Under the pilot program, stopping at intersection or crosswalk violations may only be enforced at the ~~((twenty))~~ 20 intersections where the city would most like to address safety concerns related to stopping at intersection or crosswalk violations. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage.

(ii) Except where specifically exempted, all of the rules and restrictions applicable to the use of automated traffic safety cameras in this section apply to the use of automated traffic safety cameras in the pilot program established in this subsection (6).

(iii) As used in this subsection (6), "public transportation vehicle" means any motor vehicle, streetcar, train, trolley vehicle, ferry boat, or any other device, vessel, or vehicle that is owned or operated by a transit authority or an entity providing service on

behalf of a transit authority that is used for the purpose of carrying passengers and that operates on established routes. "Transit authority" has the meaning provided in RCW 9.91.025.

(b) Use of automated traffic safety cameras as authorized in this subsection (6) is restricted to the following locations only: Locations authorized in subsection (1)(b) of this section; and midblock on arterials. Additionally, the use of automated traffic safety cameras as authorized in this subsection (6) is further limited to the following:

(i) The portion of state and local roadways in downtown areas of the city used for office and commercial activities, as well as retail shopping and support services, and that may include mixed residential uses;

(ii) The portion of state and local roadways in areas in the city within one-half mile north of the boundary of the area described in (b)(i) of this subsection;

(iii) Portions of roadway systems in the city that travel into and out of (b)(ii) of this subsection that are designated by the Washington state department of transportation as noninterstate freeways for up to four miles; and

(iv) Portions of roadway systems in the city connected to the portions of the noninterstate freeways identified in (b)(iii) of this subsection that are designated by the Washington state department of transportation as arterial roadways for up to one mile from the intersection of the arterial roadway and the noninterstate freeway.

(c) However, automated traffic safety cameras may not be used on an on-ramp to an interstate.

(d) From June 11, 2020, through December 31, 2020, a warning notice with no penalty must be issued to the registered owner of the vehicle for a violation generated through the use of an automated traffic safety camera authorized in this subsection (6). Beginning January 1, 2021, a notice of infraction must be issued, in a manner consistent with subsections (1)~~((e))~~ (g) and (3) of this section, for a violation generated through the use of an automated traffic safety camera authorized in this subsection (6). However, the penalty for the violation may not exceed ~~((seventy-five dollars))~~ \$75.

(e) For infractions issued as authorized in this subsection (6), a city with a pilot program shall remit monthly to the state ~~((fifty))~~ 50 percent of the noninterest money received under this subsection (6) in excess of the cost to install, operate, and maintain the automated traffic safety cameras for use in the pilot program. Money remitted under this subsection to the state treasurer shall be deposited in the Cooper Jones active transportation safety account created in RCW 46.68.480. The remaining ~~((fifty))~~ 50 percent retained by the city must be used only for improvements to transportation that support equitable access and mobility for persons with disabilities.

(f) A transit authority may not take disciplinary action, regarding a warning or infraction issued pursuant to this subsection (6), against an employee who was operating a public transportation vehicle at the time the violation that was the basis of the warning or infraction was detected.

(g) A city that implements a pilot program under this subsection (6) must provide a preliminary report to the transportation committees of the legislature by June 30, ~~((2022))~~ 2024, and a final report by January 1, ~~((2023))~~ 2025, on the pilot program that includes the locations chosen for the automated traffic safety cameras used in the pilot program, the number of warnings and traffic infractions issued under the pilot program, the number of traffic infractions issued with respect to vehicles registered outside of the county in which the city is located, the infrastructure improvements made using the penalty moneys as required under (e) of this subsection, an equity analysis that

includes any disproportionate impacts, safety, and on-time performance statistics related to the impact on driver behavior of the use of automated traffic safety cameras in the pilot program, and any recommendations on the use of automated traffic safety cameras to enforce the violations that these cameras were authorized to detect under the pilot program.

Sec. 424. RCW 46.63.170 and 2015 3rd sp.s. c 44 s 406 are each amended to read as follows:

(1) The use of automated traffic safety cameras for issuance of notices of infraction is subject to the following requirements:

(a) The appropriate local legislative authority must prepare an analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located: (i) Before enacting an ordinance allowing for the initial use of automated traffic safety cameras; and (ii) before adding additional cameras or relocating any existing camera to a new location within the jurisdiction. Automated traffic safety cameras may be used to detect one or more of the following: Stoplight, railroad crossing, ~~((œ))~~ school speed zone violations~~((ç))~~, speed violations on any roadway identified in a school walk area as defined in RCW 28A.160.160, speed violations in public park speed zones, hospital speed zones, or speed violations subject to (c) or (d) of this subsection. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to enact an authorizing ordinance. Beginning one year after June 7, 2012, cities and counties using automated traffic safety cameras must post an annual report of the number of traffic accidents that occurred at each location where an automated traffic safety camera is located as well as the number of notices of infraction issued for each camera and any other relevant information about the automated traffic safety cameras that the city or county deems appropriate on the city's or county's website.

(b)(i) Except as provided in (c) and (d) of this subsection, use of automated traffic safety cameras is restricted to the following locations only: ~~((ç))~~ (A) Intersections of two arterials with traffic control signals that have yellow change interval durations in accordance with RCW 47.36.022, which interval durations may not be reduced after placement of the camera; ~~((ç))~~ (B) railroad crossings; ~~(and (iii))~~ (C) school speed zones; (D) roadways identified in a school walk area as defined in RCW 28A.160.160; (E) public park speed zones, as defined in (b)(ii) of this subsection; and (F) hospital speed zones, as defined in (b)(ii) of this subsection.

(ii) For the purposes of this section:

(A) "Public park speed zone" means the marked area within public park property and extending 300 feet from the border of public park property (I) consistent with active park use; and (II) where signs are posted to indicate the location is within a public park speed zone.

(B) "Hospital speed zone" means the marked area within hospital property and extending 300 feet from the border of hospital property (I) consistent with hospital use; and (II) where signs are posted to indicate the location is within a hospital speed zone, where "hospital" has the same meaning as in RCW 70.41.020.

(c) ~~(Any)~~ In addition to the automated traffic safety cameras authorized under (d) of this subsection, any city west of the Cascade mountains with a population of more than ~~((one hundred ninety five thousand))~~ 195,000 located in a county with a population of fewer than ~~((one million five hundred thousand))~~ 1,500,000 may operate an automated traffic safety camera to detect speed violations subject to the following limitations:

(i) A city may only operate one such automated traffic safety

camera within its respective jurisdiction; and

(ii) The use and location of the automated traffic safety camera must have first been authorized by the Washington state legislature as a pilot project for at least one full year.

(d)(i) Cities may operate at least one automated traffic safety camera under this subsection to detect speed violations, subject to the requirements of (d)(ii) of this subsection. Cities may operate one additional automated traffic safety camera to detect speed violations for every 10,000 residents included in the city's population. Cameras must be placed in locations that comply with one of the following:

(A) The location has been identified as a priority location in a local road safety plan that a city has submitted to the Washington state department of transportation and where other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed;

(B) The location has a significantly higher rate of collisions than the city average in a period of at least three years prior to installation and other speed reduction measures are not feasible or have not been sufficiently effective at reducing travel speed; or

(C) The location is in an area within the city limits designated by local ordinance as a zone subject to specified restrictions and penalties on racing and race attendance.

(ii) A city locating an automated traffic safety camera under this subsection (1)(d) must complete an equity analysis that evaluates livability, accessibility, economics, education, and environmental health, and shall consider the outcome of that analysis when identifying where to locate an automated traffic safety camera.

(e) All locations where an automated traffic safety camera is used to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection must be clearly marked by placing signs in locations that clearly indicate to a driver either: (i) That the driver is within a school walk area, public park speed zone, or hospital speed zone; or (ii) that the driver is entering an area where speed violations are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(f) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle. The primary purpose of camera placement is to take pictures of the vehicle and vehicle license plate when an infraction is occurring. Cities and counties shall consider installing cameras in a manner that minimizes the impact of camera flash on drivers.

~~((œ))~~ (g) A notice of infraction must be mailed to the registered owner of the vehicle within ~~((fourteen))~~ 14 days of the violation, or to the renter of a vehicle within ~~((fourteen))~~ 14 days of establishing the renter's name and address under subsection (3)(a) of this section. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by an automated traffic safety camera, stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the

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infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

~~((#))~~ (h) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (3) of this section. If appropriate under the circumstances, a renter identified under subsection (3)(a) of this section is responsible for an infraction.

~~((#))~~ (i) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section.

~~((#))~~ (j) All locations where an automated traffic safety camera is used must be clearly marked at least ~~(thirty)~~ 30 days prior to activation of the camera by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic safety camera. Signs placed in automated traffic safety camera locations after June 7, 2012, must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

~~((#))~~ (k) If a county or city has established an authorized automated traffic safety camera program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based only upon the value of the equipment and services provided or rendered in support of the system, and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(l) If a city is operating an automated traffic safety camera to detect speed violations on roadways identified in a school walk area, speed violations in public park speed zones, speed violations in hospital speed zones, or speed violations under (d) of this subsection, the city shall remit monthly to the state 50 percent of the noninterest money received for infractions issued by those cameras excess of the cost to administer, install, operate, and maintain the automated traffic safety cameras, including the cost of processing infractions. Money remitted under this subsection to the state treasurer shall be deposited in the Cooper Jones active transportation safety account created in RCW 46.68.480. This subsection (1)(l) does not apply to automated traffic safety cameras authorized for stoplight, railroad crossing, or school speed zone violations.

(2) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(2). The amount of the fine issued for an infraction generated through the use of an automated traffic safety camera shall not exceed the amount of a fine issued for other parking infractions within the jurisdiction. However, the amount of the fine issued for a traffic control signal violation detected through the use of an automated traffic safety camera shall not exceed the monetary penalty for a violation of RCW 46.61.050 as provided under RCW 46.63.110, including all

applicable statutory assessments.

(3) If the registered owner of the vehicle is a rental car business, the law enforcement agency shall, before a notice of infraction being issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within ~~((eighteen))~~ 18 days of receiving the written notice, provide to the issuing agency by return mail:

(a) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred; or

(b) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred because the vehicle was stolen at the time of the infraction. A statement provided under this subsection must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty.

Timely mailing of this statement to the issuing law enforcement agency relieves a rental car business of any liability under this chapter for the notice of infraction.

(4) Nothing in this section prohibits a law enforcement officer from issuing a notice of traffic infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(5) For the purposes of this section, "automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit as detected by a speed measuring device.

(6) During the 2011-2013 and 2013-2015 fiscal biennia, this section does not apply to automated traffic safety cameras for the purposes of section 216(5), chapter 367, Laws of 2011 and section 216(6), chapter 306, Laws of 2013.

NEW SECTION. Sec. 425. A new section is added to chapter 47.56 RCW to read as follows:

The legislature recognizes the need to reduce congestion and improve mobility on the Interstate 405 and state route number 167 corridors, and finds that performance on the corridors has not met the goal that average vehicle speeds in the express toll lanes remain above 45 miles per hour at least 90 percent of the time during peak hours. Therefore, the legislature intends that the commission reevaluate options at least every two years to improve performance on the Interstate 405 and state route number 167 corridors, pursuant to RCW 47.56.880 and 47.56.850.

Sec. 426. RCW 70A.65.230 and 2021 c 316 s 26 are each amended to read as follows:

(1) It is the intent of the legislature that each year the total investments made through the carbon emissions reduction account created in RCW 70A.65.240, the climate commitment account created in RCW 70A.65.260, the natural climate solutions account created in RCW 70A.65.270, ~~((and))~~ the air quality and health disparities improvement account created in RCW 70A.65.280, the climate transit programs account created in section 103 of this act, and the climate active transportation account created in section 102 of this act, achieve the following:

(a) A minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of

overburdened communities identified under chapter 314, Laws of 2021; and

(b) In addition to the requirements of (a) of this subsection, a minimum of not less than 10 percent of total investments that are used for programs, activities, or projects formally supported by a resolution of an Indian tribe, with priority given to otherwise qualifying projects directly administered or proposed by an Indian tribe. An investment that meets the requirements of both this subsection (1)(b) and (a) of this subsection may count toward the minimum percentage targets for both subsections.

(2) The expenditure of moneys under this chapter must be consistent with applicable federal, state, and local laws, and treaty rights including, but not limited to, prohibitions on uses of funds imposed by the state Constitution.

(3) For the purposes of this section, "benefits" means investments or activities that:

(a) Reduce vulnerable population characteristics, environmental burdens, or associated risks that contribute significantly to the cumulative impact designation of highly impacted communities;

(b) Meaningfully protect an overburdened community from, or support community response to, the impacts of air pollution or climate change; or

(c) Meet a community need identified by vulnerable members of the community that is consistent with the intent of this chapter.

(4) The state must develop a process by which to evaluate the impacts of the investments made under this chapter, work across state agencies to develop and track priorities across the different eligible funding categories, and work with the environmental justice council pursuant to RCW 70A.65.040.

~~((5) No expenditures may be made from the carbon emissions reduction account created in RCW 70A.65.240, the climate investment account created in RCW 70A.65.250, or the air quality and health disparities improvement account created in RCW 70A.65.280 if, by April 1, 2023, the legislature has not considered and enacted request legislation brought forth by the department under RCW 70A.65.060 that outlines a compliance pathway specific to emissions intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050.))~~

NEW SECTION. Sec. 427. The legislature finds that in order to meet the statewide greenhouse gas emissions limits in RCW 70A.45.020 and 70A.45.050, the state must drastically reduce vehicle greenhouse gas emissions. A critical strategy to meet those goals is transitioning to zero emissions vehicles and this transition requires ongoing purposeful interagency coordination and cooperation. As such, it is the intent of the legislature to create a formal interagency council responsible for coordinating the state's transportation electrification efforts to ensure the state is leveraging state and federal resources to the best extent possible and to ensure zero emissions incentives, infrastructure, and opportunities are available and accessible to all Washingtonians.

The legislature further finds that in order to meet the statewide greenhouse gas emissions limits in the transportation sector of the economy, more resources must be directed toward achieving zero emissions transportation and transit, while continuing to relieve energy burdens that exist in overburdened communities.

NEW SECTION. Sec. 428. (1) There is hereby created an interagency electric vehicle coordinating council jointly led by the Washington state department of commerce and the Washington state department of transportation with participation from the following agencies:

- (a) The office of financial management;
- (b) The department of ecology;
- (c) The department of enterprise services;

- (d) The state efficiency and environmental performance office;
- (e) The department of agriculture;
- (f) The department of health;
- (g) The utilities and transportation commission;
- (h) A representative from the office of the superintendent of public instruction knowledgeable on issues pertaining to student transportation; and

(i) Other agencies with key roles in electrifying the transportation sector.

(2) The Washington state department of commerce and Washington state department of transportation shall assign staff in each agency to lead the council's coordination work and provide ongoing reports to the governor and legislature including, but not limited to, the transportation, energy, economic development, and other appropriate legislative committees.

NEW SECTION. Sec. 429. (1) Interagency electric vehicle coordinating council responsibilities include, but are not limited to:

(a) Development of a statewide transportation electrification strategy to ensure market and infrastructure readiness for all new vehicle sales;

(b) Identification of all electric vehicle infrastructure grant-related funding to include existing and future opportunities, including state, federal, and other funds;

(c) Coordination of grant funding criteria across agency grant programs to most efficiently distribute state and federal electric vehicle-related funding in a manner that is most beneficial to the state, advances best practices, and recommends additional criteria that could be useful in advancing transportation electrification;

(d) Development of a robust public and private outreach plan that includes engaging with:

(i) Community organizers and the environmental justice council to develop community-driven programs to address zero emissions transportation needs and priorities in overburdened communities; and

(ii) Local governments to explore procurement opportunities and work with local government and community programs to support electrification;

(e) Creation of an industry electric vehicle advisory committee; and

(f) Ensuring the statewide transportation electrification strategy, grant distribution, programs, and activities associated with advancing transportation electrification benefit vulnerable and overburdened communities.

(2) The council shall provide an annual report to the appropriate committees of the legislature summarizing electric vehicle implementation progress, gaps, and resource needs.

Sec. 430. RCW 46.68.480 and 2020 c 224 s 2 are each amended to read as follows:

The Cooper Jones active transportation safety account is created in the state treasury. All receipts from penalties collected under RCW 46.63.170(~~(6)(e)~~) shall be deposited into the account. Expenditures from the account may be used only to fund grant projects or programs for bicycle, pedestrian, and nonmotorist safety improvement administered by the Washington traffic safety commission. The account is subject to allotment procedures under chapter 43.88 RCW. Moneys in the account may be spent only after appropriation.

NEW SECTION. Sec. 431. A new section is added to chapter 47.60 RCW to read as follows:

It is the intent of the legislature to fully fund the vessel and terminal electrification program in accordance with the Washington state ferries 2040 long range plan. The legislature finds that to attain the 2040 target fleet size of 26 vessels, a biennial replacement schedule is necessary to ensure the level of ferry service and reliability expected by the public. Therefore, by

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June 30, 2025, the legislature will secure funding options, including but not limited to a vessel surcharge, to devote the resources necessary to fulfill the vessel and terminal needs outlined in the 2040 long range plan.

NEW SECTION. Sec. 432. Washington state's target zero program envisions Washington having policies that will lead to zero deaths of people using the transportation system. For almost two decades more than 200 people have lost their lives annually in circumstances where a vehicle unintentionally left its lane of travel. Such fatalities made up 48 percent of all traffic-related fatalities in 2019. There are multiple ways to make improvements on the highway system that have been proven in other locations to help reduce lane departures and fatalities. Sections 433 and 434 of this act are intended to direct resources towards deploying such improvements by requiring the Washington state department of transportation to create a program that is focused on addressing this specific safety concern.

NEW SECTION. Sec. 433. A new section is added to chapter 47.04 RCW to read as follows:

(1)(a) When an appropriation is made for this purpose, the department shall establish a reducing rural roadway departures program to provide funding for safety improvements specific to preventing lane departures in areas where the departure is likely to cause serious injuries or death. The program must use data driven methods to determine potential projects, and associated ranking methods for prioritization of funding consistent with chapter 47.05 RCW. Funding under this program may be used to:

- (i) Widen roadway shoulders or modify roadway design to improve visibility or reduce lane departure risks;
- (ii) Improve markings and paint on roadways, including making markings on roads more visible for vehicles with lane departure technology;
- (iii) Apply high friction surface treatments;
- (iv) Install rumble strips, signage, lighting, raised barriers, medians, guardrails, cable barriers, or other safety equipment, including deployment of innovative technology and connected infrastructure devices;
- (v) Remove or relocate fixed objects from rights-of-way that pose a significant risk of serious injury or death if a vehicle were to collide with the object due to a lane departure;
- (vi) Repair or replace existing barriers that are damaged or nonfunctional; or
- (vii) Take other reasonable actions that are deemed likely to address or prevent vehicle lane departures in specific areas of concern.

(b) The department must create a program whereby it can distribute funding or install safety improvements based on the prioritization process established under (a) of this subsection. Any installation of safety measures that are not under the jurisdiction of the department must be done with permission from the entity that is responsible for operation and maintenance of the roadway.

(c) The department's program must create a form and application process whereby towns, small cities, counties, and transportation benefit districts may apply for program funding for high risk areas in their jurisdictions in need of safety improvements.

(d) Subject to the availability of amounts appropriated for this specific purpose, the department must issue program funding for purposes defined in (a) and (b) of this subsection in a geographically diverse manner throughout the state. Criteria used to assess a location can include the communities inability or lack of resources to make the corrections themselves and to make corrections where there has been historic disparate impacts.

(e) By December 31st of each year when there is funding

distributed in accordance with this program, the department must provide the transportation committees of the legislature and the traffic safety commission with a list of locations that received funding and a description of the safety improvements installed there.

(2) During the first five years of the program, the department must track incidence of lane departures at the locations where the new infrastructure is installed and evaluate the effectiveness of the safety improvements.

Sec. 434. RCW 46.68.060 and 2021 c 333 s 706 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which must be deposited all moneys directed by law to be deposited therein. This fund must be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining such case records, and to carry out the purposes set forth in RCW 43.59.010, (~~and~~) chapters 46.72 and 46.72A RCW, and section 433 of this act. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the highway safety fund to the Puget Sound ferry operations account, the motor vehicle fund, and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund. During the 2017-2019, 2019-2021, and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account and the state patrol highway account.

Sec. 435. RCW 46.68.396 and 2015 3rd sp.s. c 12 s 2 are each amended to read as follows:

The **JUDY** transportation future funding program account is created in the connecting Washington account established in chapter 44, Laws of 2015 3rd sp. sess. Moneys in the account may be spent only after appropriation. Expenditures from the account must be used only for preservation projects, to accelerate the schedule of connecting Washington projects identified in chapter 43, Laws of 2015 3rd sp. sess., for new connecting Washington projects, and for principal and interest on bonds authorized for the projects. It is the legislature's intent that moneys not be appropriated from the account until 2024 and that moneys in the account be expended in equal amounts between preservation and improvement projects. Moneys in the account may not be expended on the state route number 99 Alaskan Way viaduct replacement project.

Sec. 436. RCW 47.01.480 and 2015 3rd sp.s. c 12 s 1 are each amended to read as follows:

(1)(a) For projects identified as connecting Washington projects and supported by revenues under chapter 44, Laws of 2015 3rd sp. sess., it is the priority of the legislature that the department deliver the named projects. The legislature encourages the department to continue to institutionalize innovation and collaboration in design and project delivery with an eye toward the most efficient use of resources. In doing so, the legislature expects that, for some projects, costs will be reduced during the project design phase due to the application of practical design. However, significant changes to a project title or scope arising from the application of practical design requires legislative approval. The legislature will utilize existing mechanisms and processes to ensure timely and efficient approval. Practical design-related changes to the scope may be proposed by the department, for the legislature's approval, only if the project's intended performance is substantially unchanged and the local governments and interested stakeholders impacted by the project have been consulted and have reviewed the proposed changes.

(b) To the greatest extent practicable, a contract for the construction of a project with any change to the title or scope, whether significant or not, arising from the application of practical design must not be let until the department has provided a detailed notice describing the change to the chairs and ranking members of the house of representatives and senate transportation committees or, if during the interim, to the joint transportation committee.

(c) To determine the savings attributable to practical design, each connecting Washington project must be evaluated. For design-bid-build projects, the evaluation must occur at the end of the project design phase. For design-build projects, the evaluation must occur at the completion of ~~((thirty))~~ 30 percent design. Each year as a part of its annual budget submittal, the department must include a detailed summary of how practical design has been applied and the associated savings gained. The annual summary must also include for each project: Details regarding any savings gained specifically through changes in the cost of materials, changes in the scope of a project and associated impacts on risk, the retirement of any risk reserves, and unused contingency funds.

(2)(a) The transportation future funding program is intended to provide for future emergent transportation projects, accelerating the schedule for existing connecting Washington projects, and highway preservation investments, beginning in fiscal year 2024, based on savings accrued from the application of practical design and any retired risk or unused contingency funding on connecting Washington projects.

(b) Beginning July 1, 2016, the department must submit a report to the state treasurer and the transportation committees of the legislature once every six months identifying the amount of savings attributable to the application of practical design, retired risk, and unused contingency funding, and report when the savings become available. The state treasurer must transfer the available amounts identified in the report to the JUDY transportation future funding program account created in RCW 46.68.396.

(c) Beginning in fiscal year 2024, as a part of its budget submittal, the department may provide a list of highway improvement projects or preservation investments for potential legislative approval as part of the transportation future funding program. Highway improvement projects considered for inclusion under the transportation future funding program may include new connecting Washington projects, or accelerate the schedule for existing connecting Washington projects, and must: Address significant safety concerns; alleviate congestion and advance mobility; provide compelling economic development gains; leverage partnership funds from local, federal, or other sources; or require a next phase of funding to build upon initial investments provided by the legislature.

(d) It is the intent of the legislature that if savings attributable to the application of practical design are used to accelerate existing connecting Washington projects, savings must also be used for new connecting Washington projects of equal cost.

NEW SECTION. Sec. 437. A new section is added to chapter 47.06A RCW to read as follows:

A railroad crossing grant program is hereby created in the department, local programs division. The department shall develop a prioritization process to make awards for cities and counties with projects that eliminate at grade highway-rail crossings, improving safety and expediting the movement of vehicles. Awards must be made for matching funds to federal grants.

Sec. 438. RCW 81.104.160 and 2015 3rd sp.s. c 44 s 319 are each amended to read as follows:

(1) Regional transit authorities that include a county with a population of more than ~~((one million five hundred thousand))~~

1,500,000 may submit an authorizing proposition to the voters, and if approved, may levy and collect an excise tax, at a rate approved by the voters, but not exceeding eight-tenths of one percent on the value, under chapter 82.44 RCW, of every motor vehicle owned by a resident of the taxing district, solely for the purpose of providing high capacity transportation service. The maximum tax rate under this subsection does not include a motor vehicle excise tax approved before July 15, 2015, if the tax will terminate on the date bond debt to which the tax is pledged is repaid. This tax does not apply to vehicles licensed under RCW 46.16A.455 except vehicles with an unladen weight of ~~((six thousand))~~ 6,000 pounds or less, RCW 46.16A.425 or 46.17.335(2). Notwithstanding any other provision of this subsection or chapter 82.44 RCW, a motor vehicle excise tax imposed by a regional transit authority before or after July 15, 2015, must comply with chapter 82.44 RCW as it existed on January 1, 1996, until December 31st of the year in which the regional transit authority repays bond debt to which a motor vehicle excise tax was pledged before July 15, 2015. Motor vehicle taxes collected by regional transit authorities after December 31st of the year in which a regional transit authority repays bond debt to which a motor vehicle excise tax was pledged before July 15, 2015, must comply with chapter 82.44 RCW as it existed on the date the tax was approved by voters.

(2) An agency and high capacity transportation corridor area may impose a sales and use tax solely for the purpose of providing high capacity transportation service, in addition to the tax authorized by RCW 82.14.030, upon retail car rentals within the applicable jurisdiction that are taxable by the state under chapters 82.08 and 82.12 RCW. The rate of tax may not exceed 2.172 percent. The rate of tax imposed under this subsection must bear the same ratio of the 2.172 percent authorized that the rate imposed under subsection (1) of this section bears to the rate authorized under subsection (1) of this section. The base of the tax is the selling price in the case of a sales tax or the rental value of the vehicle used in the case of a use tax.

(3) Any motor vehicle excise tax previously imposed under the provisions of ~~((RCW 81.104.160(4)))~~ subsection (1) of this section shall be repealed, terminated, and expire on December 5, 2002, except for a motor vehicle excise tax for which revenues have been contractually pledged to repay a bonded debt issued before December 5, 2002, as determined by *Pierce County et al. v. State*, 159 Wn.2d 16, 148 P.3d 1002 (2006). In the case of bonds that were previously issued, the motor vehicle excise tax must comply with chapter 82.44 RCW as it existed on January 1, 1996.

(4) If a regional transit authority imposes the tax authorized under subsection (1) of this section, the authority may not receive any state grant funds provided in an omnibus transportation appropriations act except transit coordination grants created in chapter 11, Laws of 2015 3rd sp. sess. and regional mobility grant program funds. To be eligible to receive regional mobility grant program funds, a regional transit authority must have adopted, at a minimum, a zero-fare policy that allows passengers 18 years of age and younger to ride free of charge on all modes provided by the authority by October 1, 2022.

Sec. 439. RCW 47.66.120 and 2021 c 333 s 721 are each amended to read as follows:

(1)(a) ~~((Subject to the availability of amounts appropriated for this specific purpose through the 2023-2025 biennium, the))~~ The department's public transportation division shall establish a green transportation capital grant program. The purpose of the grant program is to aid any transit authority in funding cost-effective capital projects to reduce the carbon intensity of the Washington transportation system, examples of which include: Electrification of vehicle fleets, including battery and fuel cell electric vehicles;

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modification or replacement of capital facilities in order to facilitate fleet electrification and/or hydrogen refueling; necessary upgrades to electrical transmission and distribution systems; and construction of charging and fueling stations. The department's public transportation division shall identify projects and shall submit a prioritized list of all projects requesting funding to the legislature by December 1st of each even-numbered year.

(b) The department's public transportation division shall select projects based on a competitive process that considers the following criteria:

(i) The cost-effectiveness of the reductions in carbon emissions provided by the project; and

(ii) The benefit provided to transitioning the entire state to a transportation system with lower carbon intensity.

(2) The department's public transportation division must establish an advisory committee to assist in identifying projects under subsection (1) of this section. The advisory committee must include representatives from the department of ecology, the department of commerce, the utilities and transportation commission, and at least one transit authority.

(3) In order to receive green transportation capital grant program funding for a project, a transit authority must provide matching funding for that project that is at least equal to twenty percent of the total cost of the project.

(4) The department's public transportation division must report annually to the transportation committees of the legislature on the status of any grant projects funded by the program created under this section.

(5) For purposes of this section, "transit authority" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter 36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, a regional transit authority under chapter 81.112 RCW, or any special purpose district formed to operate a public transportation system.

(6) During the 2021-2023 fiscal biennium, the department may provide up to 20 percent of the total green transportation capital grant program funding for zero emissions capital transition planning projects.

Part V

Miscellaneous

NEW SECTION. Sec. 501. Sections 415 and 427 through 429 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 502. 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. 503. Sections 311 and 403 of this act expire July 1, 2024.

NEW SECTION. Sec. 504. Section 404 of this act takes effect July 1, 2024.

Sec. 505. 2020 c 224 s 3 (uncodified) is amended to read as follows:

Section 1 of this act expires June 30, ((2023)) 2025.

NEW SECTION. Sec. 506. Section 423 of this act expires June 30, 2025.

NEW SECTION. Sec. 507. Section 424 of this act takes effect June 30, 2025.

NEW SECTION. Sec. 508. Sections 313, 408 through 414, and 421 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect

immediately.

NEW SECTION. Sec. 509. Sections 205, 206, 209, and 210 of this act take effect October 1, 2022.

NEW SECTION. Sec. 510. Sections 207 and 208 of this act take effect January 1, 2023, and apply to registrations that become due on or after that date.

NEW SECTION. Sec. 511. Sections 1, 101 through 105, 201 through 204, 211, 301 through 312, 401 through 407, 415 through 420, 422, 423, 425 through 439, and 505 of this act take effect July 1, 2022."

On page 1, line 1 of the title, after "resources;" strike the remainder of the title and insert "amending RCW 70A.65.240, 70A.65.030, 70A.65.040, 82.42.020, 46.17.200, 46.17.120, 46.17.400, 46.52.130, 46.17.015, 46.17.025, 46.20.200, 46.68.041, 46.70.180, 82.32.385, 82.08.993, 82.12.817, 82.08.9999, 82.12.9999, 82.04.4496, 82.16.0496, 82.08.816, 82.12.816, 82.70.040, 82.70.050, 82.21.030, 43.84.092, 43.84.092, 82.47.020, 36.73.065, 82.14.0455, 70A.535.010, 70A.535.030, 70A.535.040, 70A.535.050, 70A.535.120, 46.63.170, 46.63.170, 70A.65.230, 46.68.480, 46.68.060, 46.68.396, 47.01.480, 81.104.160, and 47.66.120; amending 2020 c 224 s 3 (uncodified); reenacting and amending RCW 46.20.202 and 43.155.050; adding new sections to chapter 46.68 RCW; adding a new section to chapter 70A.535 RCW; adding new sections to chapter 47.66 RCW; adding new sections to chapter 47.04 RCW; adding a new section to chapter 47.24 RCW; adding new sections to chapter 47.60 RCW; adding a new section to chapter 47.56 RCW; adding a new section to chapter 47.06A RCW; adding a new chapter to Title 43 RCW; creating new sections; repealing RCW 70A.535.020; prescribing penalties; providing effective dates; providing expiration dates; and declaring an emergency."

And the bill do pass as recommended by the conference committee.

Signed by Senators Liias and Saldaña; Representatives Fey and Wylie.

MOTION

Senator Liias moved that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 5974 be adopted.

Senators Liias, Saldaña, Carlyle and Mullet spoke in favor of passage of the motion.

Senators King, Fortunato and Braun spoke against passage of the motion.

The Vice President Pro Tempore declared the question before the Senate to be the motion by Senator Liias that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 5974 be adopted.

The motion by Senator Liias carried and the Report of the Conference Committee was adopted by voice vote.

The Vice President Pro Tempore declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5974, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5974, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 29; Nays, 20; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Hasegawa, Hawkins, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall,

Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Frockt, Gildon, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5974, as recommended by the Conference Committee, 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

March 10, 2022

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on SUBSTITUTE SENATE BILL NO. 5975 and has passed the bill as recommended by the Conference Committee, and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Substitute Senate Bill No. 5975

March 9, 2022

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Substitute Senate Bill No. 5975, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) An additive omnibus transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2023.

(2) Except as otherwise provided in this act, it is the intent of the legislature that the funding levels specified in LEAP Transportation Document 2022-A as developed March 9, 2022, represents a commitment to provide climate commitment act-related appropriations to the agencies, programs, and activities at the amounts identified therein through fiscal year 2038.

(3) Except as otherwise provided in this act, it is the intent of the legislature that the funding levels specified in LEAP Transportation Document 2022-B as developed March 9, 2022, represents a commitment to provide move ahead WA-related appropriations to the agencies, programs, and activities, at the amounts identified therein, through fiscal year 2038.

(4) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2022" or "FY 2022" means the fiscal year ending June 30, 2022.

(b) "Fiscal year 2023" or "FY 2023" means the fiscal year ending June 30, 2023.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an

unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.

(g) "LEAP" means the legislative evaluation and accountability program committee.

2021-2023 FISCAL BIENNIUM

GENERAL GOVERNMENT AGENCIES—OPERATING

Sec. 101. 2021 c 333 s 110 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

Motor Vehicle Account—State Appropriation (~~(\$3,210,000)~~)
\$1,577,000

Sec. 102. 2021 c 333 s 111 (uncodified) is amended to read as follows:

FOR THE SENATE

Motor Vehicle Account—State Appropriation (~~(\$3,085,000)~~)
\$1,518,000

Sec. 103. 2021 c 333 s 103 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Account—State Appropriation(~~(\$1,441,000)~~)
\$1,034,000

Puget Sound Ferry Operations Account—State Appropriation
\$126,000

Multimodal Transportation Account—State Appropriation
\$250,000

TOTAL APPROPRIATION (~~(\$1,817,000)~~)
\$1,410,000

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

\$250,000 of the multimodal transportation account—state appropriation is provided solely for the office of financial management, in collaboration with the Washington department of transportation and the office of the chief information officer, to conduct an evaluation of short term and long term facility and information technology needs. In conducting the evaluation, the office of financial management may contract with an entity with direct expertise in this area. The office of financial management must submit a final report of their evaluation by October 1, 2022. The evaluation must be coordinated with any legislatively directed study regarding leased space. The evaluation must include, but is not limited to:

(1) Development of a status quo scenario based on current policy and projections and two alternative scenarios of the number of people and percentage of staff in telework status on a permanent basis with one alternative being the minimum feasible level of teleworking and one alternative being the maximum feasible level of teleworking;

(2) Current and projected facility needs by location and function for the scenarios in subsection (1) of this section;

(3) The specific number of employees and percentage of the workforce expected to be teleworking by location and function and the anticipated impact on facility space needs for the scenarios in subsection (1) of this section;

(4) Analysis of opportunities to colocate with other state, local, and other public agencies to reduce costs and improve cost-efficiency;

(5) Detailed information on any increased costs, such as end-user devices, software, technology infrastructure, and other types

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of assistance needed to meet the teleworking levels in each of the scenarios in subsection (1) of this section;

(6) Detailed information on any reduced costs, such as leases, facility maintenance, and utilities, resulting from the projected teleworking levels for the scenarios in subsection (1) of this section; and

(7) Cost-benefit analysis detailing the net impact of teleworking on facility and total costs for the scenarios in subsection (1) of this section.

NEW SECTION. Sec. 104. (1) During the 2021-2023 fiscal biennium, the department of agriculture shall produce a fuel tax sticker for display on each motor fuel pump from which fuel is sold at retail that displays and provides notice of the federal and state fuel tax rates. The sticker must display the rate of each tax, in cents per gallon, for each type of fuel.

(2) The department of agriculture shall provide notice of federal and state fuel tax rates, in the form of a fuel tax sticker, to be displayed on motor fuel pumps.

(3) The department of agriculture shall distribute fuel tax stickers to all individuals who conduct fuel pump inspections, including department employees and local government employees. Government employees who conduct fuel pump inspections shall display a fuel tax sticker on each motor fuel pump or shall verify that such a sticker is being displayed at the time of inspection as required under this subsection. Fuel tax stickers must:

(a) Be displayed on each face of the motor fuel pump on which the price of the fuel sold from the pump is displayed; and

(b) Be displayed in a clear, conspicuous, and prominent manner.

(4) The department of agriculture shall provide fuel tax stickers by mail to fuel pump owners who request them for the face of each motor fuel pump for which a sticker is requested.

(5) The department of agriculture shall produce updated fuel tax stickers on an annual basis when one or more fuel tax rates have changed. Fuel tax stickers must be replaced at the time of motor fuel pump inspection if the sticker has been updated with any new fuel tax rates.

**TRANSPORTATION AGENCIES—OPERATING
NEW SECTION. Sec. 201. FOR THE DEPARTMENT
OF LICENSING**

Move Ahead WA Flexible Account—State Appropriation
\$1,260,000

Agency Financial Transaction Account—State Appropriation
\$103,000

TOTAL APPROPRIATION \$1,363,000

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

(1) \$550,000 of the move ahead WA flexible account—state appropriation is provided solely for an interagency transfer to the department of children, youth, and families to provide driver's license support to a larger population of foster youth than is currently being served. Support services include reimbursement of driver's license issuance costs, fees for driver training education, and motor vehicle liability insurance costs.

(2) \$569,000 of the move ahead WA flexible account—state appropriation and \$103,000 of the agency financial transaction account—state are provided for estimated implementation costs associated with new revenues.

(3) \$141,000 of the move ahead WA flexible account—state appropriation is provided solely for chapter . . . (Engrossed Substitute Senate Bill No. 5815), Laws of 2022 (homeless identicaid).

**NEW SECTION. Sec. 202. FOR THE
TRANSPORTATION COMMISSION**

Within the parameters established by RCW 47.56.880, the commission shall review toll revenue performance on the Interstate 405 and state route number 167 corridor and adjust Interstate 405 tolls as appropriate to increase toll revenue to provide sufficient funds for payments of future debt pursuant to RCW 47.10.896 and to support improvements to the corridor. The commission may consider adjusting maximum toll rates, minimum toll rates, time-of-day rates, restricting direct access ramps to transit and HOV vehicles only, or any combination thereof, in setting tolls to increase toll revenue.

**NEW SECTION. Sec. 203. FOR THE DEPARTMENT
OF COMMERCE**

Move Ahead WA Flexible Account—State Appropriation
\$10,000

Multimodal Transportation Account—Federal
Appropriation \$350,000
TOTAL APPROPRIATION \$360,000

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

(1)(a) \$10,000 of the move ahead WA flexible account—state appropriation is provided solely for development of a process to select projects to advance the research, development, or manufacturing of sustainable aviation technologies. The purpose is to support adoption of zero emissions aircraft and sustainable aviation fuels, reduce harmful aviation-related emissions, and reduce the aviation industry's reliance on fossil fuels. Sustainable aviation projects may include, but are not limited to, the development of:

- (i) Batteries;
- (ii) Electric motors;
- (iii) Sustainable fuels;
- (iv) Hydrogen electrolyzers and storage; and
- (v) Activities that support the supply chain of (a)(i) through (iv)

of this subsection.
(b) In developing the project selection process, the department may consult industry representatives, members of historically underrepresented and unserved communities, and federally recognized tribes, and may seek additional funds for this purpose. The department shall submit a report to the transportation committees of the legislature by December 1, 2022, identifying the selected sustainable aviation projects for funding by the legislature.

(2) \$350,000 of the multimodal transportation account—federal appropriation is provided solely for staff support for the interagency electric vehicle coordinating council created in chapter . . . (Engrossed Substitute Senate Bill No. 5974), Laws of 2022, in order to help implement the national electric vehicle program funded in the federal infrastructure investment and jobs act (P.L. 117-58).

**NEW SECTION. Sec. 204. FOR THE DEPARTMENT
OF TRANSPORTATION—AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation \$1,000,000
Move Ahead WA Flexible Account—State Appropriation \$10,000

TOTAL APPROPRIATION \$1,010,000

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

(1) \$10,000 of the move ahead WA flexible account—state appropriation is provided solely for the creation of a sustainable aviation grant program for airports. The purpose of the grant program is to support adoption of zero emissions aircraft and sustainable aviation fuels, reduce harmful aviation-related emissions, and reduce the aviation industry's reliance on fossil fuels. Sustainable aviation projects may include, but are not limited to: (a) Sustainable aviation fuel storage; (b) electrification

of ground support equipment; (c) electric aircraft charging infrastructure; (d) airport clean power production; or (e) electric vehicle charging stations whose infrastructure also supports ground support equipment and electric aircraft charging. The department must select projects, which may include planning, to propose to the legislature for funding. The department shall submit a report to the transportation committees of the legislature by December 1, 2022, identifying the initial selection of sustainable aviation projects for funding by the legislature and recommended changes to modify and sustain the program.

(2) \$1,000,000 of the aeronautics account—state appropriation is provided solely for move ahead WA aviation grants.

NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K

Multimodal Transportation Account—Federal Appropriation \$9,822,000

The appropriation in this section is subject to the following conditions and limitations: \$9,822,000 of the multimodal transportation account—federal appropriation is provided solely to implement the national electric vehicle program, established in the federal infrastructure investment and jobs act (P.L. 117-58), as directed by the interagency electric vehicle coordinating council created in chapter . . . (Engrossed Substitute Senate Bill No. 5974), Laws of 2022. The amounts provided in this subsection include staff support for the council. The funding provided in this subsection may be used to support the publicly available mapping and forecasting tool under RCW 47.01.520, but only to the extent not funded in the omnibus appropriations act.

NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Move Ahead WA Account—State Appropriation \$47,000,000

NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q

Move Ahead WA Account—State Appropriation \$1,850,000

The appropriation in this section is subject to the following conditions and limitations: \$1,850,000 of the move ahead WA—state appropriation is provided solely for traffic operations enhancements. It is the intent of the legislature, over the 16-year move ahead WA investment program, to provide \$30,000,000 for this purpose.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

Move Ahead WA Flexible Account—State Appropriation \$2,000,000

The appropriation in this section is subject to the following conditions and limitations: \$2,000,000 of the move ahead WA flexible account—state appropriation is provided solely for efforts to increase diversity in the transportation construction and maritime workforce. Of this amount:

(1) \$500,000 of the move ahead WA flexible account—state appropriation is provided solely for: (a) The preapprenticeship support services (PASS) program, which aims to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce. In addition to the services allowed by RCW 47.01.435, the PASS program may provide housing assistance for youth aging out of the foster care and juvenile rehabilitation systems in order to support the participation of these youth in a transportation-related preapprenticeship program; and (b) assisting minority and women-owned businesses to perform work

in the highway construction industry. This assistance shall include technical assistance, business training, counseling, guidance, prime to subcontractor relationship building, and a capacity building mentorship program.

(2) \$1,500,000 of the move ahead WA flexible account—state appropriation is provided solely for expansion of the PASS program to support apprenticeships and workforce development in the maritime industry through preapprenticeship training for inland waterways trades and support services to obtain necessary documents and coast guard certification.

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T

Move Ahead WA Flexible Account—State Appropriation \$1,500,000

Move Ahead WA Flexible Account—Federal Appropriation \$1,000,000

TOTAL APPROPRIATION \$2,500,000

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

(1) \$1,500,000 of the move ahead WA flexible account—state appropriation and \$1,000,000 of the move ahead WA flexible account—federal appropriation are provided solely for an Interstate 5 planning and environmental linkage study. This study will serve as a next step toward a statewide Interstate 5 master plan, building upon existing work underway in the corridor. It is the intent of the legislature to direct \$40,000,000 to complete the planning and environmental linkage study over the course of the 16-year move ahead WA investment program.

(2) The study must meet planning and environmental linkages requirements to assess strategies and actions to address preservation and safety needs; climate change; improve corridor efficiency and person-throughput; and operate managed lanes effectively in the long-term. The study must include a robust public engagement program; and must assess multimodal transportation system impacts as well as economic, revenue and equity considerations. The outcome of this work will provide a basis for preliminary project planning, design, and environmental work.

(3) The department shall conduct initial stakeholder listening sessions and submit an interim report on the Interstate 5 planning and environmental linkage study to the joint transportation committee by June 30, 2023. The interim report will set study limits; outline milestones and deliverables for environmental analysis; define committee structure and equitable engagement approaches; define subsequent phases of the study; and determine final scope, budget, and workforce needs.

(4) As an initial element of the study, the department must identify and prepare recommendations for near-term actions to improve HOV lane system-wide performance. The study should identify steps required to convert HOV lanes to a different managed lane operating concept such as express toll lanes, including detailed analysis and environmental process. The recommendations must include the planning, design, environmental review, equity considerations, community engagement, traffic and revenue analysis, rate setting, and related engineering considerations necessary for a full I-5 HOV system conversion. The department shall submit an interim report on near-term recommendations to the legislative transportation committees by June 30, 2023.

(5) By December 1, 2022, the department must also submit a recommended approach and funding request to:

(a) Assess the seismic risk of the I-5 causeway from Boeing field to Lake City Way; and

(b) Recommendations for future work to mitigate seismic risk on the causeway, including estimated costs.

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NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Move Ahead WA Flexible Account—State Appropriation \$2,000,000

The appropriation in this section is subject to the following conditions and limitations: \$2,000,000 of the move ahead WA flexible account—state appropriation is provided solely for enhanced funding to the office of minority and women's business enterprises to increase the number of certified women and minority-owned contractors in the transportation sector.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

Climate Transit Programs Account—State Appropriation \$53,436,000

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

(1) \$14,120,000 of the climate transit programs account—state appropriation is provided solely for newly selected special needs grants. Of this amount:

(a) \$3,248,000 of the climate transit programs account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost-effectiveness of trips provided.

(b) \$10,872,000 of the climate transit programs account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2019 as reported in the "Summary of Public Transportation - 2019" published by the department of transportation. No transit agency may receive more than 30 percent of these distributions.

(2) \$33,606,000 of the climate transit programs account—state appropriation is provided solely for transit support grants. To be eligible for transit support grant distribution, transit agencies must submit documentation of fare-free policy for 18 years and under by October 1, 2022, to be eligible for the 2023-2025 biennium. Transit agencies that submit fare policy documentation following the October 1, 2022, deadline shall become eligible for the next biennial distribution.

(3) \$4,710,000 of the climate transit programs account—state appropriation is provided solely for newly selected green transportation grants.

(4) \$1,000,000 of the climate transit programs account—state appropriation is provided solely for newly selected transit coordination grants. The department shall give priority to grant proposals that promote the formation of joint partnerships between transit agencies or merge service delivery across entities.

(5) It is the intent of the legislature that \$520,000 will be provided for the Sauk-Suiattle Commuter Bus Project (L1000318) in the 2023-2025 fiscal biennium.

(6) The department shall submit the projects on LEAP Transportation Document 2022 NL-3 as developed March 9, 2022, in three tiers to the transportation committees of the legislature and the office of financial management by December 1, 2022, prioritizing projects based on community impacts to overburdened communities as defined in RCW 70A.02.010.

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 301. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Move Ahead WA Account—State Appropriation \$10,000,000
Climate Active Transportation Account—State Appropriation \$3,000,000

TOTAL APPROPRIATION \$13,000,000

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

(1) The entire climate active transportation account—state appropriation is provided solely for newly selected complete streets grants.

(2) The entire move ahead WA account—state appropriation is provided solely for additional preservation funding to cities.

NEW SECTION. Sec. 302. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Move Ahead WA Account—State Appropriation \$10,000,000

The appropriation in this section is subject to the following conditions and limitations: The entire move ahead WA account—state appropriation is provided solely for additional preservation funding allocations to counties through the county arterial preservation program.

NEW SECTION. Sec. 303. FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Move Ahead WA Account—State Appropriation \$32,000,000

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

(1) Except as otherwise provided in this section, the entire move ahead WA account—state appropriation is provided solely for the state highway projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed March 9, 2022.

(2)(a) It is the intent of the legislature, over the 16-year move ahead WA investment program, to provide \$2,435,000,000 for fish passage barrier removal with the intent of fully complying with the federal *U.S. v. Washington* court injunction by 2030. Furthermore, it is the intent of the legislature that appropriations for this purpose may be used to jointly leverage state and local funds for match requirements in applying for competitive federal aid grants provided in the infrastructure investment and jobs act for removals of fish passage barriers under the national culvert removal, replacement, and restoration program. State funds used for the purpose described in this subsection must not compromise fully complying with the court injunction by 2030.

(b) The department shall coordinate with the Brian Abbott fish passage barrier removal board and local governments to use a watershed approach by replacing both state and local culverts guided by the principle of providing the greatest fish habitat gain at the earliest time. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, tribal priorities, ability to leverage investments by others, presence of other barriers, project readiness, culvert conditions, other transportation projects in the area, and transportation impacts.

(3)(a) \$10,000,000 of the move ahead WA state—appropriation is provided solely for the stormwater retrofits and improvements project (L4000040). It is the intent of the legislature, over the 16-year move ahead WA investment program, to provide \$500,000,000 for this project.

(b) The department shall ensure that \$6,000,000 is provided to the Urban Stormwater Partnership - I-5 Ship-Canal Bridge Pilot (Seattle) project from the \$500,000,000 provided from stormwater retrofits and improvements over the 16-year move

ahead WA investment program.

(c) The funding provided for stormwater retrofits and improvements must enhance stormwater runoff treatment from existing roads and infrastructure with an emphasis on green infrastructure retrofits. Projects must be prioritized based on benefits to salmon recovery and ecosystem health, reducing toxic pollution, addressing health disparities, and cost-effectiveness. The department of transportation must submit progress reports on its efforts to reduce the toxicity of stormwater runoff from existing infrastructure, recommendations for addressing barriers to innovative solutions, and anticipated demand for funding each biennium.

(4) \$1,000,000 of the move ahead WA account—state appropriation is provided solely for the SR 522 Widening project (L4000031). The department must consider reserving portions of state route 522, including designated lanes or ramps, for the exclusive or preferential use of public transportation vehicles, privately owned buses, motorcycles, private motor vehicles carrying not less than a specified number of passengers, or private transportation provider vehicles pursuant to RCW 47.52.025.

(5) \$3,000,000 of the move ahead WA—state appropriation is provided solely for the US 2 Trestle Capacity Improvements & Westbound Trestle Replacement project (L4000056). It is the intent of the legislature, over the 16-year move ahead WA investment program, to provide \$210,541,000 for planning, design, right-of-way acquisition, interim improvements, and initial construction. It is the further intent of the legislature that this project enhance multimodal mobility options on the US 2 Trestle. The planning, design and engineering work must consider options to enhance transit and multimodal mobility, including bus rapid transit. The department must report to the legislature with its preliminary analysis of these options by June 30, 2023.

(6) It is the intent of the legislature, over the 16-year move ahead WA investment program, to provide \$74,298,000 for the SR 3/Gorst Area - Widening project (L4000017). Tribal consultation with the Suquamish Tribe must begin at the earliest stage of planning, including without limitation on all funding decisions and funding programs, to provide a government-to-government mechanism for the tribe to evaluate, identify, and expressly notify governmental entities of any potential impacts to tribal cultural resources, archaeological sites, sacred sites, fisheries, or other rights and interests in tribal lands and lands within which the tribe possesses rights reserved or protected by federal treaty, statute, or executive order. The consultation is independent of, and in addition to, any public participation process required by state law, or by a state agency, including the requirements of Executive Order 21-02 related to archaeological and cultural resources, and regardless of whether the agency receives a request for consultation from the Suquamish Tribe. Regularly scheduled tribal consultation meetings with the Suquamish Tribe must continue throughout the duration of any funding program and proposed project approval.

(7) \$10,000,000 of the move ahead WA account—state appropriation is provided solely for the I-5 Columbia River Bridge (L4000054). The legislature finds that the replacement of the I-5 Columbia River Bridge is a project of national significance and is critical for the movement of freight. One span is now 104 years old, at risk for collapse in the event of a major earthquake, and no longer satisfies the needs of commerce and travel. Replacing the aging Interstate Bridge with a modern, seismically resilient, multimodal structure that provides improved mobility for people, goods and services is a high priority. Therefore, the legislature intends to support the replacement of the I-5 Columbia River Bridge with an investment of \$1,000,000,000 over the 16-year move ahead WA investment program.

NEW SECTION. Sec. 304. FOR THE DEPARTMENT

OF TRANSPORTATION—PRESERVATION—PROGRAM P

Move Ahead WA Account—Federal Appropriation \$140,000,000

The appropriation in this section is subject to the following conditions and limitations: \$140,000,000 of the move ahead WA account—federal appropriation is provided solely for highway preservation (L4000057). The department must use funding provided in this subsection, along with other funds at its discretion, for the following preservation projects:

- (1) I-5/SB Denny Way-Lakeview Viaduct;
- (2) I-5/SB&NB Concrete and Joint Replacement;
- (3) SR 529/NB Snohomish River – Bridge Rehabilitation and Painting;
- (4) I-5/SB Snohomish River Bridge Painting.

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q

Move Ahead WA Account—State Appropriation \$1,250,000

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

- (1) \$1,250,000 of the move ahead WA account—state appropriation is provided solely for the department to establish a reducing rural roadway departures program (L2021122) to provide funding for safety improvements specific to preventing lane departures in areas where the departure is likely to cause serious injuries or death pursuant to section 433 of chapter . . . (Substitute Senate Bill No. 5974), Laws of 2022 (transportation resources).

- (2) It is the intent of the legislature, over the 16-year move ahead WA investment program, to provide \$20,000,000 for this project.

NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction Account—State Appropriation \$10,000,000

The appropriation in this section is subject to the following conditions and limitations: \$10,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for vessel and terminal preservation projects.

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y

Move Ahead WA Flexible Account—State Appropriation \$10,000,000

Carbon Emissions Reduction Account—State Appropriation \$50,000,000

TOTAL APPROPRIATION \$60,000,000

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

- (1) The entire move ahead WA flexible account—state appropriation in this section is provided solely for the rail projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed March 9, 2022.

- (2) \$50,000,000 of the carbon emissions reduction account—state appropriation is provided solely for state match contributions to support the department's application for pending federal grant opportunities for a new ultra high-speed ground transportation corridor. These funds are to remain in unallotted status and are available only upon award of federal funds. The department must provide draft applications for federal grant opportunities to the transportation committees of the legislature for review and comment prior to submission.

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z

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Move Ahead WA Account—State	Appropriation
	\$131,900,000
Move Ahead WA Flexible Account—State	Appropriation
	\$5,000,000
Climate Active Transportation Account—State	Appropriation
	\$20,182,000
TOTAL APPROPRIATION	\$157,082,000

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

(1) The entire move ahead WA account—state appropriation is provided solely for the local road projects and activities as listed in LEAP Transportation Document 2022 NL-1 as developed March 9, 2022.

(2) The department shall submit the projects on LEAP Transportation Document 2022 NL-2 as developed March 9, 2022, in three tiers to the transportation committees of the legislature and the office of financial management by December 1, 2022, prioritizing projects based on community impacts to overburdened communities as defined in RCW 70A.02.010.

(3) \$10,686,000 of the climate active transportation account—state appropriation is provided solely for newly selected safe routes to school grants.

(4) \$9,496,000 of the climate active transportation account—state appropriation is provided solely for newly selected pedestrian and bicycle grants.

(5) It is the intent of the legislature that up to \$14,000,000 will be provided for the Guemes Ferry Boat Replacement Project (L4000124).

(6) \$5,000,000 of the move ahead WA flexible account—state appropriation is provided solely for railroad crossing grant awards which match federal funds for city and county projects which eliminate at-grade highway-rail crossings.

(7) It is the intent of the legislature that \$25,000,000 will be provided as part of the move ahead WA investment package in a future biennium, as indicated on the list identified in subsection (1) of this section, for the Ballard and Magnolia bridge project (L4000123). As part of the project, the Seattle department of transportation (SDOT) must consult with an independent engineering firm to verify that the costs for the type, size, and location preliminary design report (TS&L), environmental impact statement (EIS), and 60 percent design work are within industry cost range standards in advance of moving forward with construction. SDOT must ensure that funds are maximized by limiting the percentage for TS&L, EIS, and 60 percent design work to 10 percent of the total cost of the project. Of the \$25,000,000, \$12,500,000 must remain in unallotted status, and may be distributed to SDOT only upon determination by the office of financial management that SDOT's cost estimates have been verified by an independent engineering firm as within industry cost range standards, and SDOT has secured the additional matching funding needed to complete the TS&L, EIS, and 60 percent design work.

(8)(a) It is the intent of the legislature, over the first five years of the move ahead WA program, that \$50,000,000 will be provided to SDOT to implement Aurora Avenue North Safety Improvements (L4000154). Under this program, SDOT will be required to implement strategic transportation investments for the Aurora Ave N Corridor from N 90th St to N 105th St that ensure slow vehicle speeds, walkability, multimodal mobility, safe routes to local schools, and safety for residents, which will demonstrate the benefits of similar transportation investments for other locations along Aurora Avenue and elsewhere. SDOT must convene a neighborhood oversight board consisting of residents of communities of the Aurora Ave N Corridor to prioritize investments and monitor project implementation. The oversight

board should be composed of an equitable representation of local communities along the Aurora Ave N Corridor, including residents with disabilities. SDOT will ensure that the oversight board is consulted on a bimonthly basis during the prioritization process.

(b) The legislature intends, upon completion of the State Route 99/Aurora Avenue North Planning Study, that projects recommended in the study will be funded by this program. A specific focus must be on access management to consolidate driveways and improve safety for vulnerable users. This work must also include installation of full curb and sidewalks to improve safety, mobility, transit ridership, equity, and work towards the goals set forth in vision zero, target zero, and the Washington state active transportation plan. SDOT must ensure the design and implementation of an accessible sidewalk network to support users with mobility limitations, convenient and accessible transit stops, all-ages-and-abilities bicycle facilities, and safe pedestrian-activated crosswalks that puts safety over speed, balances the needs of different modes, reduces the level of traffic stress experienced by pedestrians and cyclists, connects to existing bicycle and transit networks, creates safe walking and bicycling routes to local schools including crosswalks, improves human and environmental health, and supports the surrounding neighborhoods. SDOT must coordinate with the Washington state department of transportation and King county metro in implementing the investments. SDOT must ensure that funds are maximized by limiting the percentage for planning, predesign, design, permitting, and environmental review to 10 percent of the total cost of each project.

(c) The legislature intends that all Aurora Avenue North Safety Improvement projects funded in this program be completed by December 31, 2029, and that no funds may be expended for this purpose after this date.

TRANSFERS AND DISTRIBUTIONS

NEW SECTION. Sec. 401. FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

(1) Carbon Emissions Reduction Account—State Appropriation:

For transfer to the Puget Sound Ferry Operations Account—State \$600,000

The amount transferred in this subsection represents an estimate of fare replacement revenue to account for the implementation of 18 and under fare-free policies.

(2)(a) Multimodal Transportation Account—State Appropriation:

For transfer to the Carbon Emissions Reduction Account—State \$127,000,000

(b) It is the intent of the legislature that this transfer is temporary, for the purpose of ensuring a positive account balance for the remainder of the 2021-2023 fiscal biennium. An equivalent reimbursing transfer is to occur in the 2023-2025 fiscal biennium.

(3) Motor Vehicle Account—State Appropriation: For transfer to the Move Ahead WA Account—State \$3,607,000

(4) Electric Vehicle Account—State Appropriation:

For transfer to the Move Ahead WA Flexible Account—State \$16,064,000

(5) Carbon Emissions Reduction Account—State Appropriation: For transfer to the Climate Active Transportation Account—State \$23,182,000

(6) Carbon Emissions Reduction Account—State Appropriation: For transfer to the Climate Transit Programs Account—State \$53,436,000

MISCELLANEOUS

Sec. 501. RCW 82.44.200 and 2021 c 300 s 5 are each

amended to read as follows:

The electric vehicle account is created in the transportation infrastructure account. Proceeds from the principal and interest payments made on loans from the account must be deposited into the account. Expenditures from the account may be used only for the purposes specified in RCW 47.04.350, 82.08.9999, and 82.12.9999, and the support of other transportation electrification and alternative fuel related purposes, including RCW 47.01.520. Moneys in the account may be spent only after appropriation. During the 2021-2023 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the electric vehicle account to the move ahead WA flexible account.

NEW SECTION. Sec. 502. 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. 503. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 2 of the title, after "appropriations;" strike the remainder of the title and insert "amending RCW 82.44.200; amending 2021 c 333 ss 110, 111, and 103 (unclassified); creating new sections; making appropriations; and declaring an emergency."

And the bill do pass as recommended by the conference committee.

Signed by Senators Lias and Saldaña; Representatives Fey and Wylie.

MOTION

Senator Lias moved that the Report of the Conference Committee on Substitute Senate Bill No. 5975 be adopted.

Senators Lias, Cleveland, Rolfes, Saldaña and Wellman spoke in favor of passage of the motion.

Senators King, Schoesler, Rivers and Honeyford spoke against passage of the motion.

The Vice President Pro Tempore declared the question before the Senate to be the motion by Senator Lias that the Report of the Conference Committee on Substitute Senate Bill No. 5975 be adopted.

The motion by Senator Lias carried and the Report of the Conference Committee was adopted by voice vote.

The Vice President Pro Tempore declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5975, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5975, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 30; Nays, 19; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hawkins, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5975, as recommended by

the Conference Committee, 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

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

MOTION

Senator Pedersen moved adoption of the following resolution:

SENATE RESOLUTION 8664

By Senators Pedersen and Short

WHEREAS, The 2022 Regular Session of the Sixty-seventh Legislature is drawing to a close; and

WHEREAS, It is necessary to provide for the completion of the work of the Senate after its adjournment and during the interim period between the close of the 2022 Regular Session of the Sixty-seventh Legislature and the convening of the next regular session;

NOW, THEREFORE, BE IT RESOLVED, That the Senate Facilities and Operations Committee shall have full authority and direction over the authorization and execution of any contracts or subcontracts that necessitate the expenditure of Senate appropriations and may further delegate such authority and direction to the Secretary of the Senate for contracts that are routine or expected, subject to all applicable budget controls and limitations; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate may, as she deems appropriate, authorize travel for which members and staff may receive their actual necessary expenses, and such per diem as may be authorized by law, subject to all applicable budget controls and limitations, to be paid upon receipt of their vouchers out of funds appropriated for legislative expenses; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate be, and hereby is, authorized to retain such employees as she may deem necessary and that said employees be allowed such rate of pay, subject to all applicable budget controls and limitations, as the Secretary of the Senate shall deem proper; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate be, and hereby is, authorized and directed to make out and execute the necessary vouchers upon which warrants for legislative expenses and expenditures shall be drawn from funds provided therefor; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate, in consultation with the Chair and Ranking Member of the Facilities and Operations Committee, be, and hereby is, authorized to approve written requests by standing committees to meet during the interim period; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate be, and hereby is, authorized and directed to have printed a copy of the Senate Journals of the 2022 Regular Session of the Sixty-seventh Legislature; and

BE IT FURTHER RESOLVED, That the Majority Leader is authorized to create special committees as may be necessary to carry out the functions of the Senate in an orderly manner and appoint members thereto with the approval of the Facilities and Operations Committee; and

BE IT FURTHER RESOLVED, That the use of Senate facilities is permitted upon such terms as the Secretary of the

Senate shall deem proper.

Senator Pedersen spoke in favor of adoption of the resolution.

The Vice President Pro Tempore declared the question before the Senate to be the adoption of Senate Resolution No. 8664.

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

The President assumed the chair, Lt. Governor Heck presiding.

SECOND READING

SENATE CONCURRENT RESOLUTION NO. 8406, by Senators Pedersen and Short

Returning bills to their house of origin.

The measure was read the second time.

MOTION

On motion of Senator Pedersen, the rules were suspended, Senate Concurrent Resolution No. 8406 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

The President declared the question before the Senate to be the final passage of Senate Concurrent Resolution No. 8406.

SENATE CONCURRENT RESOLUTION NO. 8406 having received the required majority was adopted by voice vote.

PERSONAL PRIVILEGE

Senator Sheldon: “Great personal privilege Mr. President. In 1927, the legislators down in the old, sandstone building in downtown Olympia walked up to this building, ninety-five years ago today. I was not with them but I was, I did walk in in 1991. The first thing I have to do is just express all my thanks to my family. No one can run for office or serve without a family that's supportive, and my family has been just extremely supportive of me over all these thirty-two years. And my staff, Bev and Suzette, in the wings, are terrific. The best there is. I had a birthday yesterday and I was really surprised by all the people that came by and the things that they did for me. That's certainly appreciated. I've got a few notes, Mr. President if I might refer to them or I'll get all mixed up here? If I might? Thank you. And I got a question from a lot of people. They say, ‘Oh Sheldon, you know, you're kind of independent. You're on both sides of the aisle. You served in both caucuses. Well, what makes you a Democrat?’ And I think a lot about that question. I was 17 years old and my family who was here in Washington, out in Potlatch, we moved to Philadelphia. My dad was transferred. My brother came home one day in August, and he said, ‘I got two tickets here.’ I said, ‘What are they?’ It said *Alternate Delegate, 1964 Democratic Convention, Atlantic City*. So off we went. Alternate Delegate just meant you got in the door. I wish I still had the ticket. You couldn't vote but we're in the balcony and all the cigarette smoke wafted up and you could barely see the, see what was going on. That was the convention where Fannie Lou Hamer came with the Democratic – oh, I got to start again, it was the Mississippi Freedom Democratic Party. And she and her delegates had been elected. They felt they should be at the

convention. They should be seated. Well, President Kennedy had died the year before. That was a huge event in my life. And Johnson knew, if he was going to get the nomination, he couldn't lose the South. So, lots of things were happening behind the scenes which I learned about later. If you ever see the documentary on Fannie Lou Hamer, it's fascinating. But I also had another experience. Some people say that, you know, ‘The riches you take with you when you go are the people you meet and the experiences you have.’ When I was at the University of Pennsylvania, Senator Frockt's alma mater – much earlier than that – in nineteen ..., I think it was probably sixty five or six, but I heard that that this young boxer named Cassius Clay was going to speak down at Irvine Auditorium. I love boxing and I knew that he had beaten Sonny Liston, so I got down there real early and I sat in the front row. Of course, he couldn't box because they had taken away his license, and he really was trying to make some money I think, to keep things going in his life and for his family. I was so impressed. I was, it wasn't what I expected. It was a tremendous speech by a young guy ... who just believed in everything. ... And he told you how he believed. So that was another experience that I think I felt very deeply. You know, I met the Supreme Court Justice William Brennan, what a tremendous experience to get to know him. I came back out west and finished my master's at the University of Washington. The first job I had was with the Seattle Indian Health Board as a business manager. I worked for a gentleman named Bernie Whitebear. When I was hired Bernie said, ‘Tim, you're going to have to take care of things here because I've got to go over a fence at Fort Lawton,’ which then became Daybreak Star. They occupied that whole Magnolia bluff. Then, and Senator Stanford, you'll recognize these individuals, I had the great honor to be hired by Joe DeLaCruz out at Quinalt; Guy McMinds; Leo LeClair at Muckleshoot; Dave Lopemen at Squaxin Island, all of them tremendous individuals, most of them are tribal chairman. I learned a lot about how that culture has been treated and what can we do, what they did to change things. And, Mr. President, I worked other jobs. When I came here, I had the experience, and I wrote these down, of serving with John L. O'Brien, Senator Padden did serve with John L. O'Brien as well; Irv Newhouse; Representative Helen Sommers; Senator Sid Snyder; Lieutenant Governor Pritchard; and Senator Jeannette Hayner and all of them have buildings or roads named after them. Just tremendous people. A quick story, Mr. President. I know that you're very good at presiding, Senator Lovick is very good at presiding, but John L. O'Brien was really good at presiding. He came here in 1941 as a representative and served fifty years. Speaker four times and in 1991 or 1992, I forget, but my first term, he gave a class on parliamentary procedure and it was amazing class. I was I always, I didn't ever think that I would have a chance to preside but the three years that I had a chance to be President Pro Tempore is, was an amazing experience that I wish every senator had because you take yourself to a different place. You have to not – manage the debate and recognize what's going on. It's, it is a great experience. I know Mr. President, you would agree. So, lots of things that I dealt with in Olympia, I won't keep you forever, you've got other things, business to do, but today, when we read in the paper about a couple Seahawks that are being traded brought me back to the fact that this Legislature created two stadiums and they were big battles in here. Very big battles. I always felt that we should build schools before we should build stadiums. I'm a huge sports fan. So, I'd go out door-belling and people would go, ‘You're that guy. You're that guy that doesn't like the Seahawks.’ And I'd go ‘No, no.’ I just think Walter O'Malley built a stadium with his family in Los Angeles and they're pretty darned successful. Think of the money that those teams have made. Well, anyway, that's

something that I championed – didn't win but, hey, we fight the good fight. Lots of other things, I've had a, just the great opportunity to do and work with. And just one that Suzette reminded me about was a domestic violence shelter in Shelton, in Mason County. We didn't have one but I was fortunate enough to work with ... the Renton, Appropriations Chair for years ... – Margarita Prentice, thank you Senator Pedersen – work with her to get the appropriation and that's changed a lot of lives. Mr. President, that kind of brings me the end of the list. I could keep going but you've got lots to do. I just want to thank each and every one of you. I love everybody ... in this building and outside the building. ... I have the great privilege, because I'm a senior member, to park in the garage and get to know the people that really take care of this building every day. I'm going to leave it up to you to get to know them. And listen to them because they know what this building needs to stay here and be this institution. You've got five years left before the centennial. This building is going to be 100 years old. You're going to open up these skylights. You're going to wash it. Clean it. And you're going to take care of the grounds. This is the largest campus, for a capital, in the United States. It's a beautiful campus. And we have to maintain it. I just want to thank you all ... for your friendship and what you do for the state of Washington. ... Thank you."

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced members of the family of Senator Tim Sheldon who were seated in the gallery: Mrs. Linda Sheldon, his wife; his daughter Alex, his son-in-law Daniel; his granddaughter Scarlett; and his grandson Jude.

PERSONAL PRIVILEGE

Senator Schoesler: "Mr. President, I'm happy for my good friend. I'm really happy for you and the family. Senator Sheldon is the last person that was in Olympia when I got here. Last one, and I've been here quite a while. I've gotten to know his family, Tom, Tony – drove Tony crazy on one occasion, and Linda. You and Ginger actually have, a lot alike. Tim and I have conversations with Linda that I just won't get into but they're fun. Having our daughters together at the Governor's Balls, lunch at The Tides, and my best forestry lessons were on the Sheldon tree farm. I learned what every member should learn about forestry from my good friend. It was on those visits that I learned a lot about history and logging. Our conversations together, Tim sat in three different caucuses and, deep down, I admire his independence. Didn't always agree with it, he didn't always agree with me, but I admired it in this institution. This is one of the happier and sadder events for me because we've been tight for many, many years. This is a better institution because of Senator Sheldon. The institutional memory, the work he's done. It's a tough day for me but a great day for the Sheldon family. Thank you."

PERSONAL PRIVILEGE

Senator Fortunato: "Thank you Mr. President. I don't know anyone here that would have that historical knowledge that Senator Sheldon has given us over the years. I hope, I was going to say, let's make sure we open up the skylights and invite him back when that happens, Mr. President, which should be in next year's budget. But, you know, all of us here have heard him give us the historical facts just off the cuff. One that I remember was him telling the story, and I hope I have this correct, of the first room that was actually finished in this building, was room 401, or some number, which was the bar. Now, I'm sure they must have

had way livelier floor debates when that was the situation, Mr. President. I mean, just little historical facts like that, just little historical things, reminding us of the history of this building; the history of the legislative process; and the people that actually brought us here. So his historical knowledge, and his presence, will be sorely missed. Thank you, Mr. President."

PERSONAL PRIVILEGE

Senator Rolfes: "Thank you Mr. President. I've known Senator Sheldon for a long time. I've probably known him longer than he thinks he's known me because I was a city council member before coming to the Legislature and Senator Sheldon was a tall and imposing state senator that represented my county. When I got, when, in the House of Representatives, I looked up to him. We, um, worked around each other, not much together, but working in solidarity for the county that we shared. But when I came to the Senate, Mr. President, I was appointed in the middle of the summer. I didn't really know senators. I didn't know very many senators at all. And we had a caucus meeting, a Senate Democratic Caucus meeting, at some hotel in SeaTac. And I walked into that caucus room not knowing anyone and nobody said anything to me. I stood there awkwardly. I awkwardly went and got a cup of coffee. And while I was standing there looking around trying to decide what socially would be the right thing to do, Senator Sheldon came over and kindly welcomed me to the caucus and made sure I had a place to sit and was introduced to everyone. So, Mr. President, although Senator Sheldon exasperates me sometimes and we don't always agree on policy, when I talk to my constituents and Tim Sheldon comes up, I tell them that story. That at, in, at his very basic level, he's a gentleman, he's considerate, and he's compassionate. And Mr. President, I think he's represented the people of the Thirty-fifth accurately, and responsibly, and loyally, for a long time. And I very much will miss his presence in our county, his leadership, and generally just his kindness and affability."

PERSONAL PRIVILEGE

Senator Braun: "Thank you Mr. President. So, I rise with a deep appreciation for the service Senator Tim Sheldon has given to the state over the last thirty-two years. It's hard to imagine being here thirty-two years. I always think of this place as something you can do for a period of time and then, you know, you have to move on. Very few people can do that for that length of time and do it effectively. I've only seen a few do it and Tim is certainly one of those. Has been as effective on day, whatever day thirty-two years ends up being, as he was on day one. I also want to say thank you to his family, Tim mentioned that. I'll just repeat that. None of us could do this without the support and sacrifice of our family. They deserve much credit for his work over the last thirty-two years. You know Tim is, Tim is an icon. We all like to think we are independent thinkers, that we can be bipartisan, but few people put it on the line like Tim has. And you may like that, you may dislike that, but I certainly hope you respect it because it takes enormous strength of character to take the positions that Tim has taken. And, to the point of Senator Rolfes, I think he's done it for the right reasons. To truly represent his district, how his district felt about these issues. I very much admire that. Tim is a, I love his speeches. He's eloquent on the floor, but in this folksy way you just can't help but like. He delivers this folksy wisdom and history that I know I certainly have learned a lot from over the last ten years that I've had the chance to serve with him. In my current role I get a lot a great opportunity to speak with members of the caucus throughout the year about policy or politics. I can tell you my favorite calls are with Tim Sheldon because we'll call, I'll call

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and we'll have something we have to talk about and that'll take like three minutes and then we'll spend the next hour talking about timber and forestry and the Hood Canal; oyster harvest; equipment; once in a while, a book recommendation. It just goes on. And it's, it's like a, it's just so much fun. And, for me in particular, I didn't, I wasn't born and raised in Washington, so I learned so much about our great state when I talked to Tim. For me, Tim Sheldon is Washington. He is the Pacific Northwest. Whether you talk about timber or salmon, or his connection with the tribes or the Puget Sound. He embodies what I think about when I think about our special region of this country and the world. You know, I'll just finish with a couple of thoughts. Tim is a good friend. He's humble, he's kind, he's thoughtful and he is just a lot of fun to work with. I will always deeply appreciate the opportunity I had to serve with him."

PERSONAL PRIVILEGE

Senator Randall: "Thank you Mr. President. Now I haven't had the privilege of working with Senator Sheldon as long as many of you. This is just my fourth session in the legislature, but my relationship with Senator Sheldon began a long, long time ago and sort of the beginning of his service in Washington. I checked this with the Secretary of State so I can disclose here. I believe that I committed voter fraud as a six-year-old when my mom let me pull the lever for Representative Sheldon at the Sunnyslope Improvement Association. And so, since I was a little girl, you know, Senator Sheldon or then-Representative Sheldon represented me and my family and our community, so I grew up learning about his service to the state of Washington. But since my first week in the Senate, Senator Sheldon has become a good friend to me. A mentor and a partner in the work of supporting our community. He was my office neighbor and took the very first opportunity to come and introduce himself to me, to show me the beautiful antique furniture and photos in his office, and explain the great history, some of the great history of Washington, and our community. I remember standing next to him on this wall over here and talking about bipartisanship and how the things that we say about each other, and each other's parties, out there in the world are so different from what it's really like to work together and to build relationships. From Tim I learned about advocating for transportation and infrastructure, and together we've secured funding for Gorst. I've learned about working with our tribes and service, the passage barrier remediation and understanding how to be a strong advocate and partner and to listen and learn. And we worked to advocate for housing for veterans in our community. And I will miss him as a colleague but I look forward to continuing to count him as a friend and a mentor as I continue to serve the community that we've served so pleasantly together."

PERSONAL PRIVILEGE

Senator Honeyford: "Well, thank you Mr. President. I want to recognize that I too admired Senator Sheldon's independence. I came into the House in 1995 and Senator Sheldon was serving in the House, and we presented our budget – that was a big landslide year – we presented a budget and Senator Sheldon got up and spoke as to why he could not support our budget. Very truthful, and he pointed out the flaws in the budget. That's something I admired. He also introduced me to The Tides and, if you haven't been there, that's a good place to eat. [Laughter] We got to exercise our second amendment rights out in his gravel pit. And that, too, is enjoyable. It's been a real pleasure to serve with him. He's a true gentleman. I would say he's the conscience of the Senate. Thank you Mr. President."

PERSONAL PRIVILEGE

Senator Frockt: "Thank you Mr. President. I too want to join in commending Senator Sheldon on his service to the state of Washington these past thirty years and his incredible legacy for his district. I can say that as, well, as he mentioned, we've actually always had a little bit of a bond because we were the only two, I think the only two, probably only two, that have ever served in this body who attended the University of Pennsylvania, which is kind of a weird, random fact, but we both did. We would often talk about – we were just talking the other day about the, about something related to Philadelphia that we both spend some time in. He would talk to me about, Mr. President, you'll appreciate this, Big 5 basketball and all of the players he used to see in the 60s in person. I only read about them but he saw them in person. It's just been a really, he's been very kind and affable to me as has been mentioned. I want to just to point out one thing that I think was, well, two things really. One is, when you think about the, his care for this institution and his legacy for this building. Many of you may recall that the dome of the Capitol was very dirty for a long time. And the person who offered, I believe it was your amendment, couple million dollars that we had to put in to get that thing pressure-washed and cleaned, was Tim Sheldon. I look at it every day and I think about the fact that he helped improve the beauty of this place for us but also for all the people of the state of Washington. Also I know how devoted he's always been to his community. I think of the work he did to provide homeless housing for homeless vets in Shelton. And how important that was him. He didn't come and ask for much but he asked for that because he had a certainly a soft spot for what was needed in his community and those who were hurting. So, I want to just thank him again. I will say one last thing for any of you who are newer around here, I can prove for a fact that Senator Sheldon was, in fact, in the Democratic Caucus. I have a picture right here of Senator Sheldon. This is from 2012, were standing around with, sitting around Senator Patty Murray and Tim's right here in the corner. Very tall, kind of like sasquatch. just in the back. [Laughter] Just to prove that you were there. Tim, thank you for your service. It's a pleasure to have been your friend these years."

PERSONAL PRIVILEGE

Senator Brown: "Thank you Mr. President. To all my colleagues that, right there, that gentleman from the Thirty-fifth District is a true statesman, an absolutely true statesman. In my almost decade of service, I have never heard Senator Sheldon speak ill of anyone. All those times where we may have been incredibly frustrated in energy and trying to figure stuff out. That guy right there could just take us in the back, settle us down, and explain everything to us. He is a wealth of knowledge. I have learned so much from him and it has been a true honor to serve with you."

PERSONAL PRIVILEGE

Senator Carlyle: "Thank you Mr. President. It's a real blessing to be able to rise and thank my good friend for his years of service in this institution. You know, when you visit someone at their home, and you see their property and when you see their BMW 2002, maroon, gorgeous car, and you see their workshop, it's just, it's special. You know you can have a deep conversation that's authentic and real. And, on top of that, when you sit next to someone in a committee for many years, you come to appreciate the depth and the breadth of their institutional knowledge. I have

learned so much from Senator Sheldon. His knowledge of our energy system and our grid and the reliability and the regionalization. All of that, both existential as well as important operational infrastructure, is really important. And of course, it's not flashy, and it doesn't get headlines, but we have a very strong system in large part because of so much of the work that you have done, and to bring attention to that in a meaningful way. I also have an incredible appreciation of the institutional knowledge that Senator Sheldon brings about our tribal partners. A knowledge of not just treaty rights but what government-to-government sovereign discussions really look like. I learned a lot about that. I sent Senator Sheldon a book about Bernie Whitebear, that he referenced, and he read it and, and mailed it back to me. We had a good conversation about that incredible history, and both my district but, also, with his personal career. We have a little bit of a cliché, a little bit of a stereotype, a little bit of a rhetorical narrative about city folk and country folk. I think that, sometimes that's all in good fun, we know, but I think there's a lot of core values that Senator Sheldon represents, not just in his community, but to appreciate both the values of his community as well as a good visit to the city. I think that he really brings the best out in our policy analysis. When we've had conversations in our committee about real issues that are so important, we've learned a lot about renewable energy. We've talked a lot about nuclear and the role of nuclear. We've talked a lot about hydro and he played a very instrumental role in the one hundred percent clean energy bill, when we were working on that, about the way to capture and count hydro. I learned a lot from that conversation. It was really meaningful to me. I just want him to know that, behind the headlines, years of work really is reflected in so much of the policy that we've worked on in this area and so much of the institutional value that a lot of us place on this building, physically and spiritually. There's something wonderful to the type of service that you've embraced and having that independence. That's real. It goes to the core. Frustrates the heck out of some folks and makes admirers of others but, ultimately, it's a really dignified way to be true to yourself. Thank you for your service and your friendship."

PERSONAL PRIVILEGE

Senator Warnick: "Thank you Mr. President. Well, we're going to miss you Tim. A lot of people have said a lot of things but I hope that you write down the historical knowledge that you have of this place. I walked across the parking lot with you earlier today and you talked about the members walking up from the old capitol to here and it just made me think of the history that you know that the most of us don't realize. I hope you can write it down, put it in that gift shop downstairs someday. I hope you spend time with your family. I know a couple of them up there are really waiting for a grandpa to come take them out for ice cream. They're listening. They're being very patient, listening to us say nice things about their grandpa. They already know you're a nice guy so I just wish you all the best and enjoy those grandgirls. Thank you very much for your service."

PERSONAL PRIVILEGE

Senator Hunt: "Thank you, Mr. President. Well, I've been around this building a long time too. And Sheldon, Senator Sheldon, has been here longer than I have. Maybe we should put our stories together on some of these rooms, like committee room X and what all of these rooms up on the fourth floor used to be used for, tv and radio studios, but lots of other things. It's been a pleasure sharing the Senate and sharing a district with Senator Sheldon. Some of the people think that I represent them. Some of

the people think that he represents them, along the line there, but he'll, we manage to work together on a lot of things. Just one little story: My family, for years, has had a little cabin on a lake in Mason County and, since September, was talking about logging the other side of the lake. We were fearful that, if they did that and put multi-unit housing in there, that it would destroy the lake. I talked to Senator Sheldon several times about it and on this. This really wouldn't be good, you know. We'd lose our place, our nice little summer cabin. Lo and behold, one of the times when Mason County re-did its land use and stuff, that land on the other side of the lake has been preserved. I just want to thank you. I think you did that, but I don't know, but we'll give you thanks anyway. Thank you and, and good luck. We'll see you again."

PERSONAL PRIVILEGE

Senator Hawkins: "Well, thank you very much Mr. President. I too would like to join in with the group to, to thank Senator Sheldon for his many, many years of leadership. I think it was Senator Schoesler who referred to him as an icon and that is very true. One of the things that struck me about Senator Sheldon when I got the chance to first serve with him is just how personable and authentic, he is. I worked for about seventeen years for a public utility district before I fully transitioned here to the Senate. Senator Sheldon was really well-known within the public power and PUD community. We all sort of looked up to him and aspired to be like him so it was really cool, when I got elected to the Senate, that I could serve as one of his colleagues. Now that he's retiring, I just know that the public power community is, he's going to be sorely missed, not just amongst us but more broadly among other stakeholders throughout the state. I just wanted to say one of the things that I really was impressed with Senator Sheldon, as I kind of got to know him a little bit as a colleague, was how much he loved his family. And I love my family too. I have two kids who are now twelve and fourteen but when we first got elected to the House, my wife, we really relocated to Olympia for the winter and the kids, when they were four and six, and all the way up, for about six years, we lived in Olympia every session as a family together, rented a house. And I always wondered, well, what, with my kids, what are they going to remember as kids with their dad as a senator? What might that be like? Well, the cool thing Mr. President was, his daughter said, 'Well, I could tell you what it was like. As a kid, I was around this capital all the time.' So I got the chance, I'm not sure if that's you up there? Is it? Awesome. So I got the chance, and my wife did, to actually talk to her in the lunchroom and really learn what it, what is it like, you know, being raised around the Capitol as a senator's child? And what do you remember? It was just really special. And to see her as a grown adult with her kids. Then with my young kids there, who are now older, but it just put it in perspective how important family is. It's no surprise that his family's here. But how much he loves his family. How proud he was to come here to the Capitol. I can't remember, Mr. President, what his family referred to the Capitol lunchroom as ... ? Yes, the 'lunch castle.' The lunch castle or something like that, so my kids got the chance to come to lunch castle too. So you will be missed, Senator Sheldon, and wish you the best and a well-deserved retirement. Thank you Mr. President."

The Senate rose in appreciation and acknowledgment of The Honorable Timothy Sheldon, Senator, Thirty-fifth Legislative District, and his years of service to the Senate and the State..

MOTION

On motion of Senator Pedersen, the Senate reverted to the

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seventh order of business.

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Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.
Absent: Senator Rolfes

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wellman moved that Michelle L. Milne, Senate Gubernatorial Appointment No. 9073, be confirmed as a member of the Professional Educator Standards Board.

Senator Wellman spoke in favor of the motion.

APPOINTMENT OF MICHELLE L. MILNE

The President declared the question before the Senate to be the confirmation of Michelle L. Milne, Senate Gubernatorial Appointment No. 9073, as a member of the Professional Educator Standards Board.

The Secretary called the roll on the confirmation of Michelle L. Milne, Senate Gubernatorial Appointment No. 9073, as a member of the Professional Educator Standards Board and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Michelle L. Milne, Senate Gubernatorial Appointment No. 9073, having received the constitutional majority was declared confirmed as a member of the Professional Educator Standards Board.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wilson, C. moved that Jeff A. Patnode, Senate Gubernatorial Appointment No. 9082, be confirmed as a member of the Intermediate Sentence Review Board.

Senator Wilson, C. spoke in favor of the motion.

APPOINTMENT OF JEFF A. PATNODE

The President declared the question before the Senate to be the confirmation of Jeff A. Patnode, Senate Gubernatorial Appointment No. 9082, as a member of the Intermediate Sentence Review Board.

The Secretary called the roll on the confirmation of Jeff A. Patnode, Senate Gubernatorial Appointment No. 9082, as a member of the Intermediate Sentence Review Board and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford,

Jeff A. Patnode, Senate Gubernatorial Appointment No. 9082, having received the constitutional majority was declared confirmed as a member of the Intermediate Sentence Review Board.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Keiser moved that Isabel A. Cole, Senate Gubernatorial Appointment No. 9086, be confirmed as a member of the Board of Industrial Insurance Appeals.

Senator Keiser spoke in favor of the motion.

MOTIONS

On motion of Senator Wagoner, Senator Sheldon was excused.
On motion of Senator Randall, Senator Rolfes was excused.

APPOINTMENT OF ISABEL A. COLE

The President declared the question before the Senate to be the confirmation of Isabel A. Cole, Senate Gubernatorial Appointment No. 9086, as a member of the Board of Industrial Insurance Appeals.

The Secretary called the roll on the confirmation of Isabel A. Cole, Senate Gubernatorial Appointment No. 9086, as a member of the Board of Industrial Insurance Appeals and the appointment was confirmed by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Schoesler

Isabel A. Cole, Senate Gubernatorial Appointment No. 9086, having received the constitutional majority was declared confirmed as a member of the Board of Industrial Insurance Appeals.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wellman moved that Amy L. Frost, Senate Gubernatorial Appointment No. 9094, be confirmed as a member of the Professional Educator Standards Board.

Senator Wellman spoke in favor of passage of the motion.

APPOINTMENT OF AMY L. FROST

The President declared the question before the Senate to be the confirmation of Amy L. Frost, Senate Gubernatorial Appointment No. 9094, as a member of the Professional Educator Standards

Board.

The Secretary called the roll on the confirmation of Amy L. Frost, Senate Gubernatorial Appointment No. 9094, as a member of the Professional Educator Standards Board and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Amy L. Frost, Senate Gubernatorial Appointment No. 9094, having received the constitutional majority was declared confirmed as a member of the Professional Educator Standards Board.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Randall moved that Florence S. Chang, Senate Gubernatorial Appointment No. 9095, be confirmed as a member of the Bates Technical College Board of Trustees.

Senators Randall and Holy spoke in favor of passage of the motion.

APPOINTMENT OF FLORENCE S. CHANG

The President declared the question before the Senate to be the confirmation of Florence S. Chang, Senate Gubernatorial Appointment No. 9095, as a member of the Bates Technical College Board of Trustees.

The Secretary called the roll on the confirmation of Florence S. Chang, Senate Gubernatorial Appointment No. 9095, as a member of the Bates Technical College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Florence S. Chang, Senate Gubernatorial Appointment No. 9095, having received the constitutional majority was declared confirmed as a member of the Bates Technical College Board of Trustees.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Holy moved that Steven A. Zimmerman, Senate Gubernatorial Appointment No. 9098, be confirmed as a member of the Wenatchee Valley College Board of Trustees.

Senator Holy spoke in favor of the motion.

APPOINTMENT OF STEVEN A. ZIMMERMAN

The President declared the question before the Senate to be the confirmation of Steven A. Zimmerman, Senate Gubernatorial Appointment No. 9098, as a member of the Wenatchee Valley College Board of Trustees.

The Secretary called the roll on the confirmation of Steven A. Zimmerman, Senate Gubernatorial Appointment No. 9098, as a member of the Wenatchee Valley College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Steven A. Zimmerman, Senate Gubernatorial Appointment No. 9098, having received the constitutional majority was declared confirmed as a member of the Wenatchee Valley College Board of Trustees.

The Senate resumed consideration of Engrossed Second Substitute House Bill No. 1099 which had been deferred earlier in the day.

REMARKS BY THE PRESIDENT

President Heck: "The President would like to preface his ruling by making the following observation: In the fourteen months that the President has been privileged to stand here and occasionally vote upon these matters, it has been the experience that no matter how complex or nuanced the matters before us were, but after the fact, there was a considerable conviction and confidence that the conclusion was based on very solid ground. In other words, I feel good about everyone. I'll tell you right now, I don't feel good about this one.

Fact to the matter is, this is a very, very difficult issue. It was flagged in the sense that the point of order was raised over the inclusion of section fifteen through seventeen, which I believe are verbatim language from another bill. Never a good sign. The President earlier today reminded members that writing overly prescriptive titles is something that can lead to a thwarting of this process. So too can the effort to keep a measure alive by picking it up and tacking it onto another bill, thus creating the prospect for considerable friction and conflict with the scope and object. This is not a clear case."

"In ruling on the point of order by Senator Short objecting to the scope and object as related to sections 15, 16 and 17 of the conference report, the President finds and rules as follows:

Under Rule 66, the adoption of the conference report must be such that it does not change the scope and object of the bill. As drafted, the underlying bill amends the state's planning laws including the Growth Management Act (GMA). One of the goals of the GMA is to encourage low income housing units by authorizing cities and counties to enact or expand housing incentive programs.

Turning now to the bill, the President notes that the object of the bill is to improve the state's climate response by updating the state's comprehensive planning framework, which is its scope.

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One of the updates in the conference report is to create an option for high density incentive zones and provide a REET redirection to local government who choose this option in its comprehensive plan update.

The underlying bill requires cities and counties to take actions that will reduce overall carbon emissions. One of the ways to reach this goal is for cities and counties to expand housing density options within close proximity of transit hubs. This achieves the overall object of the bill by not only reducing the greenhouse gas emissions resulting from single-family homes but also by reducing the emissions resulting from multimodal transportation options.

The President notes that the objection focuses solely on the subsequent portion of the conference report, namely, the 3 provisions – sections 15, 16 and 17 - that authorize a portion of REET dollars to cities and counties which decide to utilize the housing density options. Cities and counties receiving these dollars must use these moneys for, among other, infrastructure and service supports for moderate, low, very low, and extremely low-income housing, and create permanently affordable home ownership in order to further the goal of reducing greenhouse gas emissions.

The President finds that sections 15, 16, and 17 are related to the existing framework of the Growth Management Act. The REET incentive in the sections is within the scope and object of the underlying bill. The President finds that Sections 15, 16, and 17 are within the scope and object of the bill and meet the requirements of Rule 66. For this reason, Senator Short’s point of order is not well taken.”

The President declared the question before the Senate to be the motion by Senator Lovelett that the Report of the Conference Committee on Engrossed Second Substitute House Bill No. 1099 be adopted.

Senator Lovelett spoke in favor of the motion.

Senators Short, Fortunato, Schoesler, Braun and Rivers spoke against the motion.

The President declared the question before the Senate to be the motion by Senator Lovelett that the Report of the Conference Committee on Engrossed Second Substitute House Bill No. 1099 be adopted.

The motion by Senator Lovelett carried and the Report of the Conference Committee was adopted by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 1099, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 1099, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 28; Nays, 21; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hasegawa, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Engrossed Second Substitute House Bill No. 1099, as recommended by the Conference Committee, having received the constitutional majority, was declared passed. There being no

objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 6:21 p.m., on motion of Senator Pedersen, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 7:03 p.m. by the President of the Senate, Lt. Governor Heck presiding.

MOTION

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

MESSAGES FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:

The House concurred in the Senate amendments to the following bills and passed the bills as amended by the Senate:

THIRD SUBSTITUTE HOUSE BILL NO. 1359,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1699,
SECOND SUBSTITUTE HOUSE BILL NO. 1814,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1914,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2124,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:

The House concurred in the Senate amendments to the following bill and passed the bill as amended by the Senate:

HOUSE BILL NO. 2058,

and the same is herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:

The House concurred in the Senate amendments to the following bill and passed the bills as amended by the Senate:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1694,

and the same is herewith transmitted.

BERNARD DEAN, Chief Clerk

March 10, 2022

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1846,
SECOND SUBSTITUTE HOUSE BILL NO. 1988,
ENGROSSED HOUSE BILL NO. 1990,
SUBSTITUTE HOUSE BILL NO. 2099,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED FOURTH SUBSTITUTE
HOUSE BILL NO. 1412,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1530,
HOUSE BILL NO. 1641,
ENGROSSED SECOND SUBSTITUTE
HOUSE BILL NO. 1663,

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1866,
and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5714,
SUBSTITUTE SENATE BILL NO. 5741,
SUBSTITUTE SENATE BILL NO. 5753,
SUBSTITUTE SENATE BILL NO. 5799,
ENGROSSED SENATE BILL NO. 5849,

ENGROSSED SUBSTITUTE SENATE BILL NO. 5874,
and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Braun moved that the Senate immediately consider Engrossed Senate Bill No. 5919, concerning the standard for law enforcement authority to detain or pursue persons.

Senator Braun spoke in favor of the motion.

Senator Pedersen spoke against the motion.

PARLIAMENTARY INQUIRY

Senator Braun: "Mr. President, I would like to know if this is a debatable motion?"

RULING BY THE PRESIDENT

President Heck: "Senator Braun, thank you very much for the inquiry. The President can not recall, can not find, is not aware of any rule which would prohibit debate of this motion. However, it is important to point out that remarks during debate must be as to the motion itself, the need to immediately consider not the merits of the bill per se, it is not a debate on final passage."

Senator Padden spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Braun that the Senate immediately consider Engrossed Senate Bill No. 5919.

MOTION

Senator Braun demanded a roll call.

The President declared that one-sixth of the members supported the demand, and the demand was sustained.

The President declared the question before the Senate to be the motion by Senator Braun to immediately consider Engrossed Senate Bill No. 5919.

ROLL CALL

The Secretary called the roll on the motion by Senator Braun to immediately consider Engrossed Senate Bill No. 5919, and the motion did not carry by the following vote: Yeas, 22; Nays, 26; Absent, 1; Excused, 0.

Voting yea: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Mullet, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias,

Lovelett, Lovick, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Absent: Senator Randall

MOTION

Senator Honeyford moved the Senate adjourn Sine Die.

The President declared the question before the Senate to be the motion by Senator Honeyford that the Senate to adjourn Sine Die.

The motion by Senator Honeyford did not carry and the motion was not adopted by voice vote.

MESSAGE FROM THE HOUSE

March 9, 2022

MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5531 with the following amendment(s): 5531-S.E AMH FIN H2853.3

Strike everything after the enacting clause and insert the following:

"PART 1 GENERAL PROVISIONS

NEW SECTION. Sec. 101. SHORT TITLE. This chapter may be cited as the revised uniform unclaimed property act.

NEW SECTION. Sec. 102. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Administrator" means the department of revenue established under RCW 82.01.050.

(2) "Administrator's agent" means a person with which the administrator contracts to conduct an examination under sections 1001 through 1013 of this act on behalf of the administrator. The term includes an independent contractor of the person and each individual participating in the examination on behalf of the person or contractor.

(3) "Apparent owner" means a person whose name appears on the records of a holder as the owner of property held, issued, or owing by the holder.

(4) "Business association" means a corporation, joint stock company, investment company other than an investment company registered under the investment company act of 1940, as amended, 15 U.S.C. Secs. 80a-1 through 80a-64, partnership, unincorporated association, joint venture, limited liability company, business trust, trust company, land bank, safe deposit company, safekeeping depository, financial organization, insurance company, federally chartered entity, utility, sole proprietorship, or other business entity, whether or not for profit.

(5) "Confidential information" means records, reports, and information that are confidential under section 1402 of this act.

(6) "Domicile" means:

(a) For a corporation, the state of its incorporation;

(b) For a business association whose formation requires a filing with a state, other than a corporation, the state of the principal place of business of such a business association, if formed under the laws of a state other than the state in which its principal place of business is located, unless determined to be otherwise by a court of competent jurisdiction;

(c) For a federally chartered entity or an investment company registered under the investment company act of 1940, as amended, 15 U.S.C. Secs. 80a-1 through 80a-64, the state of its home office; and

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(d) For any other holder, the state of its principal place of business.

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

(8) "Email" means a communication by electronic means which is automatically retained and stored and may be readily accessed or retrieved.

(9) "Financial organization" means a savings and loan association, building and loan association, savings bank, industrial bank, bank, banking organization, or credit union.

(10) "Game-related digital content" means digital content that exists only in an electronic game or electronic game platform. The term:

(a) Includes:

(i) Game-play currency such as a virtual wallet, even if denominated in United States currency; and

(ii) The following if for use or redemption only within the game or platform or another electronic game or electronic game platform:

(A) Points sometimes referred to as gems, tokens, gold, and similar names; and

(B) Digital codes; and

(b) Does not include an item that the issuer:

(i) Permits to be redeemed for use outside a game or platform for:

(A) Money; or

(B) Goods or services that have more than minimal value; or

(ii) Otherwise monetizes for use outside a game or platform.

(11) "Gift certificate" means a record described in RCW 19.240.010, and includes both gift cards and gift certificates, including both tangible instruments and electronic records.

(12) "Holder" means a person obligated to hold for the account of, or to deliver or pay to, the owner, property subject to this chapter.

(13) "Insurance company" means an association, corporation, or fraternal or mutual benefit organization, whether or not for profit, engaged in the business of providing life endowments, annuities, or insurance, including accident, burial, casualty, credit life, contract performance, dental, disability, fidelity, fire, health, hospitalization, illness, life, malpractice, marine, mortgage, surety, wage protection, and worker compensation insurance.

(14) "Loyalty card" means a record given without direct monetary consideration under an award, reward, benefit, loyalty, incentive, rebate, or promotional program which may be used or redeemed only to obtain goods or services or a discount on goods or services. The term does not include a record that may be redeemed for money or otherwise monetized by the issuer.

(15) "Mineral" means gas, oil, coal, oil shale, other gaseous liquid or solid hydrocarbon, cement material, sand and gravel, road material, building stone, chemical raw material, gemstone, fissionable and nonfissionable ores, colloidal and other clay, steam and other geothermal resources, and any other substance defined as a mineral by law of this state other than this chapter.

(16) "Mineral proceeds" means an amount payable for extraction, production, or sale of minerals, or, on the abandonment of the amount, an amount that becomes payable after abandonment. The term includes an amount payable:

(a) For the acquisition and retention of a mineral lease, including a bonus, royalty, compensatory royalty, shut-in royalty, minimum royalty, and delay rental;

(b) For the extraction, production, or sale of minerals, including a net revenue interest, royalty, overriding royalty, extraction payment, and production payment; and

(c) Under an agreement or option, including a joint operating

agreement, unit agreement, pooling agreement, and farm-out agreement.

(17) "Money order" means a payment order for a specified amount of money. The term includes an express money order and a personal money order on which the remitter is the purchaser.

(18) "Municipal bond" means a bond or evidence of indebtedness issued by a municipality or other political subdivision of a state.

(19) "Net card value" means the original purchase price or original issued value of a stored value card, plus amounts added to the original price or value, minus amounts used and any service charge, fee, or dormancy charge permitted by law.

(20) "Nonfreely transferable security" means a security that cannot be delivered to the administrator by the depository trust clearing corporation or similar custodian of securities providing posttrade clearing and settlement services to financial markets or cannot be delivered because there is no agent to effect transfer. The term includes a worthless security.

(21) "Owner" means a person that has a legal, beneficial, or equitable interest in property subject to this chapter or the person's legal representative when acting on behalf of the owner. The term includes:

(a) A depositor, for a deposit;

(b) A beneficiary, for a trust other than a deposit in trust;

(c) A creditor, claimant, or payee, for other property; and

(d) The lawful bearer of a record that may be used to obtain money, a reward, or a thing of value.

(22) "Payroll card" means a record that evidences a payroll card account as defined in Regulation E, 12 C.F.R. Part 1005, as it existed on the effective date of this section.

(23) "Person" means an individual, estate, business association, public corporation, government or governmental subdivision, agency, or instrumentality, or other legal entity.

(24) "Property" means tangible property described in section 205 of this act or a fixed and certain interest in intangible property held, issued, or owed in the course of a holder's business or by a government, governmental subdivision, agency, or instrumentality. The term:

(a) Includes all income from or increments to the property;

(b) Includes property referred to as or evidenced by:

(i) Money, virtual currency, interest, or a dividend, check, draft, deposit, or payroll card;

(ii) A credit balance, customer's overpayment, stored value card, security deposit, refund, credit memorandum, unpaid wage, unused ticket for which the issuer has an obligation to provide a refund, mineral proceeds, or unidentified remittance;

(iii) A security except for:

(A) A worthless security; or

(B) A security that is subject to a lien, legal hold, or restriction evidenced on the records of the holder or imposed by operation of law, if the lien, legal hold, or restriction restricts the holder's or owner's ability to receive, transfer, sell, or otherwise negotiate the security;

(iv) A bond, debenture, note, or other evidence of indebtedness;

(v) Money deposited to redeem a security, make a distribution, or pay a dividend;

(vi) An amount due and payable under an annuity contract or insurance policy; and

(vii) An amount distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit-sharing, employee savings, supplemental unemployment insurance, or a similar benefit; and

(c) Does not include:

(i) Property held in a plan described in section 529A of the

internal revenue code, as it existed on the effective date of this section, 26 U.S.C. Sec. 529A;

- (ii) Game-related digital content;
- (iii) A loyalty card;
- (iv) A gift certificate complying with chapter 19.240 RCW;
- (v) Store credit for returned merchandise; and
- (vi) A premium paid by an agricultural fair by check. For the purposes of this subsection, the following definitions apply:

(A) "Agricultural fair" means a fair or exhibition that is intended to promote agriculture by including a balanced variety of exhibits of livestock and agricultural products, as well as related manufactured products and arts, including products of the farm home and educational contests, displays, and demonstrations designed to train youth and to promote the welfare of farmers and rural living; and

(B) "Premium" means an amount paid for exhibits and educational contests, displays, and demonstrations of an educational nature. A "premium" does not include judges' fees and expenses; livestock sale revenues; or prizes or amounts paid for promotion or entertainment activities such as queen contests, parades, dances, rodeos, and races.

(25) "Putative holder" means a person believed by the administrator to be a holder, until the person pays or delivers to the administrator property subject to this chapter or the administrator or a court makes a final determination that the person is or is not a holder.

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

(27) "Security" means:

- (a) A security as defined in RCW 62A.8-102;
- (b) A security entitlement as defined in RCW 62A.8-102, including a customer security account held by a registered broker-dealer, to the extent the financial assets held in the security account are not:
 - (i) Registered on the books of the issuer in the name of the person for which the broker-dealer holds the assets;
 - (ii) Payable to the order of the person; or
 - (iii) Specifically indorsed to the person; or
- (c) An equity interest in a business association not included in (a) or (b) of this subsection.

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

- (a) To execute or adopt a tangible symbol; or
- (b) To attach to or logically associate with the record an electronic symbol, sound, or process.

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

(30) "Stored value card" means a record evidencing a promise made for consideration by the seller or issuer of the record that goods, services, or money will be provided to the owner of the record to the value or amount shown in the record. The term:

- (a) Includes:
 - (i) A record that contains or consists of a microprocessor chip, magnetic strip, or other means for the storage of information, which is prefunded and whose value or amount is decreased on each use and increased by payment of additional consideration; and
 - (ii) A payroll card; and
- (b) Does not include a loyalty card, gift certificate, or game-related digital content.

(31) "Utility" means a person that owns or operates for public use a plant, equipment, real property, franchise, or license for the following public services:

- (a) Transmission of communications or information;
- (b) Production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas; or
- (c) Provision of sewage or septic services, or trash, garbage, or recycling disposal.

(32) "Virtual currency" means a digital representation of value used as a medium of exchange, unit of account, or store of value, which does not have legal tender status recognized by the United States. The term does not include:

- (a) The software or protocols governing the transfer of the digital representation of value;
- (b) Game-related digital content; or
- (c) A loyalty card or gift certificate.

(33) "Worthless security" means a security whose cost of liquidation and delivery to the administrator would exceed the value of the security on the date a report is due under this chapter.

NEW SECTION. Sec. 103. INAPPLICABILITY TO FOREIGN TRANSACTION. This chapter does not apply to property held, due, and owing in a foreign country if the transaction out of which the property arose was a foreign transaction.

NEW SECTION. Sec. 104. RULE MAKING. The administrator may adopt rules under chapter 34.05 RCW to implement and administer this chapter.

PART 2

PRESUMPTION OF ABANDONMENT

NEW SECTION. Sec. 201. WHEN PROPERTY PRESUMED ABANDONED. Subject to section 209 of this act, the following property is presumed abandoned if it is unclaimed by the apparent owner during the period specified below:

- (1) A traveler's check, 15 years after issuance;
- (2) A money order, five years after issuance;
- (3) A state or municipal bond, bearer bond, or original issue discount bond, three years after the earliest of the date the bond matures or is called or the obligation to pay the principal of the bond arises;
- (4) A debt of a business association, three years after the obligation to pay arises;
- (5) A demand, savings, or time deposit, including a deposit that is automatically renewable, three years after the later of maturity, if applicable, of the deposit or the owner's last indication of interest in the deposit, except a deposit that is automatically renewable is deemed matured on its initial date of maturity unless the apparent owner consented in a record on file with the holder to renew at or about the time of the renewal;
- (6) Money or a credit owed to a customer as a result of a retail business transaction, three years after the obligation arose;
- (7) An amount owed by an insurance company on a life or endowment insurance policy or an annuity contract that has matured or terminated, three years after the obligation to pay arose under the terms of the policy or contract or, if a policy or contract for which an amount is owed on proof of death has not matured by proof of the death of the insured or annuitant, as follows:
 - (a) With respect to an amount owed on a life or endowment insurance policy, three years after the earlier of the date:
 - (i) The insurance company has knowledge of the death of the insured; or
 - (ii) The insured has attained, or would have attained if living, the limiting age under the mortality table on which the reserve for the policy is based; and
 - (b) With respect to an amount owed on an annuity contract, three years after the date the insurance company has knowledge of the death of the annuitant;
- (8) Property distributable by a business association in the course of dissolution, one year after the property becomes

distributable;

(9) Property held by a court, including property received as proceeds of a class action, one year after the property becomes distributable;

(10) Property held by a government or governmental subdivision, agency, or instrumentality, including municipal bond interest and unredeemed principal under the administration of a paying agent or indenture trustee, one year after the property becomes distributable;

(11) Wages, commissions, bonuses, or reimbursements to which an employee is entitled, or other compensation for personal services, one year after the amount becomes payable;

(12) A deposit or refund owed to a subscriber by a utility, one year after the deposit or refund becomes payable; and

(13) Payroll card, one year after the amount becomes payable; and

(14) Property not specified in this section or section 202 through 207 of this act, the earlier of three years after the owner first has a right to demand the property or the obligation to pay or distribute the property arises.

NEW SECTION. Sec. 202. WHEN TAX DEFERRED RETIREMENT ACCOUNT PRESUMED ABANDONED. (1) Subject to section 209 of this act, property held in a pension account or retirement account that qualifies for tax deferral under the income tax laws of the United States is presumed abandoned if it is unclaimed by the apparent owner three years after the later of:

(a) The following dates:

(i) Except as in (a)(ii) of this subsection, the date a second consecutive communication sent by the holder by first-class United States mail to the apparent owner is returned to the holder undelivered by the United States postal service; or

(ii) If the second communication is sent later than 30 days after the date the first communication is returned undelivered, the date the first communication was returned undelivered by the United States postal service; or

(b) The earlier of the following dates:

(i) The date the apparent owner becomes 72 years of age, if determinable by the holder; or

(ii) If the internal revenue code, as it existed on the effective date of this section, 26 U.S.C. Sec. 1 et seq., requires distribution to avoid a tax penalty, two years after the date the holder:

(A) Receives confirmation of the death of the apparent owner in the ordinary course of its business; or

(B) Confirms the death of the apparent owner under subsection (2) of this section.

(2) If a holder in the ordinary course of its business receives notice or an indication of the death of an apparent owner and subsection (1)(b) of this section applies, the holder shall attempt not later than 90 days after receipt of the notice or indication to confirm whether the apparent owner is deceased.

(3) If the holder does not send communications to the apparent owner of an account described in subsection (1) of this section by first-class United States mail, the holder shall attempt to confirm the apparent owner's interest in the property by sending the apparent owner an email communication not later than two years after the apparent owner's last indication of interest in the property. However, the holder promptly shall attempt to contact the apparent owner by first-class United States mail if:

(a) The holder does not have information needed to send the apparent owner an email communication or the holder believes that the apparent owner's email address in the holder's records is not valid;

(b) The holder receives notification that the email communication was not received; or

(c) The apparent owner does not respond to the email communication not later than 30 days after the communication was sent.

(4) If first-class United States mail sent under subsection (3) of this section is returned to the holder undelivered by the United States postal service, the property is presumed abandoned three years after the later of:

(a) Except as in (b) of this subsection, the date a second consecutive communication to contact the apparent owner sent by first-class United States mail is returned to the holder undelivered;

(b) If the second communication is sent later than 30 days after the date the first communication is returned undelivered, the date the first communication was returned undelivered; or

(c) The date established by subsection (1)(b) of this section.

(5) This section does not apply to property held in a pension account or retirement account established by the state of Washington or any local governmental entity under chapter 41.28 RCW.

NEW SECTION. Sec. 203. WHEN OTHER TAX DEFERRED ACCOUNT PRESUMED ABANDONED. Subject to section 209 of this act and except for property described in section 202 of this act and property held in a plan described in section 529A of the internal revenue code, as it existed on the effective date of this section, 26 U.S.C. Sec. 529A, property held in an account or plan, including a health savings account, that qualifies for tax deferral under the income tax laws of the United States is presumed abandoned if it is unclaimed by the apparent owner three years after the earlier of:

(1) The date, if determinable by the holder, specified in the income tax laws and regulations of the United States by which distribution of the property must begin to avoid a tax penalty, with no distribution having been made; or

(2) Thirty years after the date the account was opened.

NEW SECTION. Sec. 204. WHEN CUSTODIAL ACCOUNT FOR MINOR PRESUMED ABANDONED. (1) Subject to section 209 of this act, property held in an account established under a state's uniform gifts to minors act or uniform transfers to minors act is presumed abandoned if it is unclaimed by or on behalf of the minor on whose behalf the account was opened three years after the later of:

(a) Except as in (b) of this subsection, the date a second consecutive communication sent by the holder by first-class United States mail to the custodian of the minor on whose behalf the account was opened is returned undelivered to the holder by the United States postal service;

(b) If the second communication is sent later than 30 days after the date the first communication is returned undelivered, the date the first communication was returned undelivered; or

(c) The date on which the custodian is required to transfer the property to the minor or the minor's estate in accordance with the uniform gifts to minors act or uniform transfers to minors act of the state in which the account was opened.

(2) If the holder does not send communications to the custodian of the minor on whose behalf an account described in subsection (1) of this section was opened by first-class United States mail, the holder shall attempt to confirm the custodian's interest in the property by sending the custodian an email communication not later than two years after the custodian's last indication of interest in the property. However, the holder promptly shall attempt to contact the custodian by first-class United States mail if:

(a) The holder does not have information needed to send the custodian an email communication or the holder believes that the custodian's email address in the holder's records is not valid;

(b) The holder receives notification that the email

communication was not received; or

(c) The custodian does not respond to the email communication not later than 30 days after the communication was sent.

(3) If first-class United States mail sent under subsection (2) of this section is returned undelivered to the holder by the United States postal service, the property is presumed abandoned three years after the later of:

(a) The date a second consecutive communication to contact the custodian by first-class United States mail is returned to the holder undelivered by the United States postal service; or

(b) The date established by subsection (1)(c) of this section.

(4) When the property in the account described in subsection (1) of this section is transferred to the minor on whose behalf an account was opened or to the minor's estate, the property in the account is no longer subject to this section.

NEW SECTION. Sec. 205. WHEN CONTENTS OF SAFE DEPOSIT BOX PRESUMED ABANDONED. Tangible property held in a safe deposit box and proceeds from a sale of the property by the holder permitted by law of this state other than this chapter are presumed abandoned if the property remains unclaimed by the apparent owner five years after the earlier of the:

(1) Expiration of the lease or rental period for the box; or

(2) Earliest date when the lessor of the box is authorized by law of this state other than this chapter to enter the box and remove or dispose of the contents without consent or authorization of the lessee.

NEW SECTION. Sec. 206. WHEN STORED VALUE CARD PRESUMED ABANDONED. (1) Subject to section 209 of this act, the net card value of a stored value card, other than a payroll card, is presumed abandoned on the latest of three years after:

(a) December 31st of the year in which the card is issued or additional funds are deposited into it;

(b) The most recent indication of interest in the card by the apparent owner; or

(c) A verification or review of the balance by or on behalf of the apparent owner.

(2) The amount presumed abandoned in a stored value card is the net card value at the time it is presumed abandoned.

NEW SECTION. Sec. 207. WHEN SECURITY PRESUMED ABANDONED. (1) Subject to section 209 of this act, a security is presumed abandoned three years after:

(a) The date a second consecutive communication sent by the holder by first-class United States mail to the apparent owner is returned to the holder undelivered by the United States postal service; or

(b) If the second communication is made later than 30 days after the first communication is returned, the date the first communication is returned undelivered to the holder by the United States postal service.

(2) If the holder does not send communications to the apparent owner of a security by first-class United States mail, the holder shall attempt to confirm the apparent owner's interest in the security by sending the apparent owner an email communication not later than two years after the apparent owner's last indication of interest in the security. However the holder promptly shall attempt to contact the apparent owner by first-class United States mail if:

(a) The holder does not have information needed to send the apparent owner an email communication or the holder believes that the apparent owner's email address in the holder's records is not valid;

(b) The holder receives notification that the email communication was not received; or

(c) The apparent owner does not respond to the email

communication not later than 30 days after the communication was sent.

(3) If first-class United States mail sent under subsection (2) of this section is returned to the holder undelivered by the United States postal service, the security is presumed abandoned three years after the date the mail is returned.

NEW SECTION. Sec. 208. WHEN RELATED PROPERTY PRESUMED ABANDONED. At and after the time property is presumed abandoned under this chapter, any other property right or interest accrued or accruing from the property and not previously presumed abandoned is also presumed abandoned.

NEW SECTION. Sec. 209. INDICATION OF APPARENT OWNER INTEREST IN PROPERTY. (1) The period after which property is presumed abandoned is measured from the later of:

(a) The date the property is presumed abandoned under this section and sections 201 through 208, 210, and 211 of this act; or

(b) The latest indication of interest by the apparent owner in the property.

(2) Under this chapter, an indication of an apparent owner's interest in property includes:

(a) A record communicated by the apparent owner to the holder or agent of the holder concerning the property or the account in which the property is held;

(b) An oral communication by the apparent owner to the holder or agent of the holder concerning the property or the account in which the property is held, if the holder or its agent contemporaneously makes and preserves a record of the fact of the apparent owner's communication;

(c) Presentation of a check or other instrument of payment of a dividend, interest payment, or other distribution, or evidence of receipt of a distribution made by electronic or similar means, with respect to an account, underlying security, or interest in a business association;

(d) Activity directed by an apparent owner in the account in which the property is held, including accessing the account or information concerning the account, or a direction by the apparent owner to increase, decrease, or otherwise change the amount or type of property held in the account;

(e) A deposit into or withdrawal from an account at a financial organization, including an automatic deposit or withdrawal previously authorized by the apparent owner other than an automatic reinvestment of dividends or interest;

(f) Subject to subsection (5) of this section, payment of a premium on an insurance policy; and

(g) Any other action by the apparent owner which reasonably demonstrates to the holder that the apparent owner knows that the property exists.

(3) An action by an agent or other representative of an apparent owner, other than the holder acting as the apparent owner's agent, is presumed to be an action on behalf of the apparent owner.

(4) A communication with an apparent owner by a person other than the holder or the holder's representative is not an indication of interest in the property by the apparent owner unless a record of the communication evidences the apparent owner's knowledge of a right to the property.

(5) If the insured dies or the insured or beneficiary of an insurance policy otherwise becomes entitled to the proceeds before depletion of the cash surrender value of the policy by operation of an automatic premium loan provision or other nonforfeiture provision contained in the policy, the operation does not prevent the policy from maturing or terminating.

NEW SECTION. Sec. 210. KNOWLEDGE OF DEATH OF INSURED OR ANNUITANT. (1) In this section, "death master file" means the United States social security

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administration death master file or other database or service that is at least as comprehensive as the United States social security administration death master file for determining that an individual reportedly has died.

(2) With respect to a life or endowment insurance policy or annuity contract for which an amount is owed on proof of death, but which has not matured by proof of death of the insured or annuitant, the company has knowledge of the death of an insured or annuitant when:

(a) The company receives a death certificate or court order determining that the insured or annuitant has died;

(b) Due diligence, performed as required under chapter 48.23 RCW and rules promulgated thereunder to maintain contact with the insured or annuitant or determine whether the insured or annuitant has died, validates the death of the insured or annuitant;

(c) The company conducts a comparison for any purpose between a death master file and the names of some or all of the company's insureds or annuitants, finds a match that provides notice that the insured or annuitant has died, and validates the death;

(d)(i) The administrator or the administrator's agent conducts a comparison for the purpose of finding matches during an examination conducted under sections 1001 through 1013 of this act between a death master file and the names of some or all of the company's insureds or annuitants, finds a match that provides notice that the insured or annuitant has died, and the company validates the death.

(ii) The administrator or the administrator's agent may not exercise the authority provided in (d)(i) of this subsection (2) when the company has conducted a death master file comparison, relevant to the period under examination, in accordance with (c) of this subsection (2) and subsection (3) of this section; or

(e) The company:

(i) Receives notice of the death of the insured or annuitant from an administrator, beneficiary, policy owner, relative of the insured, or trustee or from a personal representative or other legal representative of the insured's or annuitant's estate; and

(ii) Validates the death of the insured or annuitant.

(3) The following rules apply under this section:

(a) A death master file match under subsection (2)(c) and (d) of this section occurs if the criteria for an exact or partial match are satisfied as provided by:

(i) Law of this state other than this chapter;

(ii) A rule or policy adopted by the office of the insurance commissioner; or

(iii) Absent a law, rule, or policy under (a)(i) or (ii) of this subsection standards in the national conference of insurance legislators' "model unclaimed life insurance benefits act" as published in 2014.

(b) The death master file match does not constitute proof of death for the purpose of submission to an insurance company of a claim by a beneficiary, annuitant, or owner of the policy or contract for an amount due under an insurance policy or annuity contract.

(c) The death master file match or validation of the insured's or annuitant's death does not alter the requirements for a beneficiary, annuitant, or owner of the policy or contract to make a claim to receive proceeds under the terms of the policy or contract.

(d) If no provision in Title 48 RCW or rules promulgated thereunder establishes a time for validation of a death of an insured or annuitant, the insurance company shall make a good faith effort using other available records and information to validate the death and document the effort taken not later than 90 days after the insurance company has notice of the death.

(4) This chapter does not affect the determination of the extent

to which an insurance company before the effective date of this section had knowledge of the death of an insured or annuitant or was required to conduct a death master file comparison to determine whether amounts owed by the company on a life or endowment insurance policy or annuity contract were presumed abandoned or unclaimed.

NEW SECTION. Sec. 211. DEPOSIT ACCOUNT FOR PROCEEDS OF INSURANCE POLICY OR ANNUITY CONTRACT. If proceeds payable under a life or endowment insurance policy or annuity contract are deposited into an account with check or draft writing privileges for the beneficiary of the policy or contract and, under a supplementary contract not involving annuity benefits other than death benefits, the proceeds are retained by the insurance company or the financial organization where the account is held, the policy or contract includes the assets in the account.

PART 3

RULES FOR TAKING CUSTODY OF PROPERTY PRESUMED ABANDONED

NEW SECTION. Sec. 301. ADDRESS OF APPARENT OWNER TO ESTABLISH PRIORITY. In this section and sections 302 through 307 of this act, the following rules apply:

(1) The last known address of an apparent owner is any description, code, or other indication of the location of the apparent owner which identifies the state, even if the description, code, or indication of location is not sufficient to direct the delivery of first-class United States mail to the apparent owner.

(2) If the United States postal zip code associated with the apparent owner is for a post office located in this state, this state is deemed to be the state of the last known address of the apparent owner unless other records associated with the apparent owner specifically identify the physical address of the apparent owner to be in another state.

(3) If the address under subsection (2) of this section is in another state, the other state is deemed to be the state of the last known address of the apparent owner.

(4) The address of the apparent owner of a life or endowment insurance policy or annuity contract or its proceeds is presumed to be the address of the insured or annuitant if a person other than the insured or annuitant is entitled to the amount owed under the policy or contract and the address of the other person is not known by the insurance company and cannot be determined under section 302 of this act.

NEW SECTION. Sec. 302. ADDRESS OF APPARENT OWNER IN THIS STATE. The administrator may take custody of property that is presumed abandoned, whether located in this state, another state, or a foreign country if:

(1) The last known address of the apparent owner in the records of the holder is in this state; or

(2) The records of the holder do not reflect the identity or last known address of the apparent owner, but the administrator has determined that the last known address of the apparent owner is in this state.

NEW SECTION. Sec. 303. IF RECORDS SHOW MULTIPLE ADDRESSES OF APPARENT OWNER. (1) Except as in subsection (2) of this section, if records of a holder reflect multiple addresses for an apparent owner and this state is the state of the most recently recorded address, this state may take custody of property presumed abandoned, whether located in this state or another state.

(2) If it appears from records of the holder that the most recently recorded address of the apparent owner under subsection (1) of this section is a temporary address and this state is the state of the next most recently recorded address that is not a temporary address, this state may take custody of the property presumed

abandoned.

NEW SECTION. Sec. 304. HOLDER DOMICILED IN THIS STATE. (1) Except as in subsection (2) of this section or section 302 or 303 of this act, the administrator may take custody of property presumed abandoned, whether located in this state, another state, or a foreign country, if the holder is domiciled in this state or is this state or a governmental subdivision, agency, or instrumentality of this state, and:

(a) Another state or foreign country is not entitled to the property because there is no last known address of the apparent owner or other person entitled to the property in the records of the holder; or

(b) The state or foreign country of the last known address of the apparent owner or other person entitled to the property does not provide for custodial taking of the property.

(2) Property is not subject to custody of the administrator under subsection (1) of this section if the property is specifically exempt from custodial taking under the law of this state or the state or foreign country of the last known address of the apparent owner.

(3) If a holder's state of domicile has changed since the time property was presumed abandoned, the holder's state of domicile in this section is deemed to be the state where the holder was domiciled at the time the property was presumed abandoned.

NEW SECTION. Sec. 305. CUSTODY IF TRANSACTION TOOK PLACE IN THIS STATE. Except as in section 302, 303, or 304 of this act, the administrator may take custody of property presumed abandoned whether located in this state or another state if:

(1) The transaction out of which the property arose took place in this state;

(2) The holder is domiciled in a state that does not provide for the custodial taking of the property, except that if the property is specifically exempt from custodial taking under the law of the state of the holder's domicile, the property is not subject to the custody of the administrator; and

(3) The last known address of the apparent owner or other person entitled to the property is unknown or in a state that does not provide for the custodial taking of the property, except that if the property is specifically exempt from custodial taking under the law of the state of the last known address, the property is not subject to the custody of the administrator.

NEW SECTION. Sec. 306. TRAVELER'S CHECK, MONEY ORDER, OR SIMILAR INSTRUMENT. The administrator may take custody of sums payable on a traveler's check, money order, or similar instrument presumed abandoned to the extent permissible under 12 U.S.C. Secs. 2501 through 2503, as it existed on the effective date of this section.

NEW SECTION. Sec. 307. BURDEN OF PROOF TO ESTABLISH ADMINISTRATOR'S RIGHT TO CUSTODY. If the administrator asserts a right to custody of unclaimed property, the administrator has the burden to prove:

- (1) The existence and amount of the property;
- (2) The property is presumed abandoned; and
- (3) The property is subject to the custody of the administrator.

PART 4

REPORT BY HOLDER

NEW SECTION. Sec. 401. REPORT REQUIRED BY HOLDER. (1) A holder of property presumed abandoned and subject to the custody of the administrator shall report in a record to the administrator concerning the property.

(2) A holder may contract with a third party to make the report required under subsection (1) of this section.

(3) Whether or not a holder contracts with a third party under subsection (2) of this section, the holder is responsible:

(a) To the administrator for the complete, accurate, and timely reporting of property presumed abandoned; and

(b) For paying or delivering to the administrator property described in the report.

(4)(a) Reports due under this section must be filed electronically in a form or manner provided or authorized by the administrator. However, the administrator, upon request or its own initiative, may relieve any holder or class of holders from the electronic filing requirement under this subsection for good cause as determined by the administrator.

(b) For purposes of this subsection, "good cause" means:

(i) A circumstance or condition exists that, in the administrator's judgment, prevents the holder from electronically filing the report due under this section; or

(ii) The administrator determines that relief from the electronic filing requirement under this subsection supports the efficient or effective administration of this chapter.

NEW SECTION. Sec. 402. CONTENT OF REPORT. (1) The report required under section 401 of this act must:

(a) Be signed by or on behalf of the holder and verified as to its completeness and accuracy;

(b) If filed electronically, be in a secure format approved by the administrator which protects confidential information of the apparent owner in the same manner as required of the administrator and the administrator's agent under sections 1401 through 1408 of this act;

(c) Describe the property;

(d) Except for a traveler's check, money order, or similar instrument, contain the name, if known, last known address, if known, and social security number or taxpayer identification number, if known or readily ascertainable, of the apparent owner of property with a value of \$50 or more;

(e) For an amount held or owing under a life or endowment insurance policy or annuity contract, contain the name and last known address of the insured, annuitant, or other apparent owner of the policy or contract and of the beneficiary;

(f) For property held in or removed from a safe deposit box, indicate the location of the property, where it may be inspected by the administrator, and any amounts owed to the holder under section 606 of this act;

(g) Contain the commencement date for determining abandonment under sections 201 through 211 of this act;

(h) State that the holder has complied with the notice requirements of section 501 of this act;

(i) Identify property that is a nonfreely transferable security and explain why it is a nonfreely transferable security; and

(j) Contain other information the administrator prescribes by rules.

(2) A report under section 401 of this act may include in the aggregate items valued under \$50 each. If the report includes items in the aggregate valued under \$50 each, the administrator may not require the holder to provide the name and address of an apparent owner of an item unless the information is necessary to verify or process a claim in progress by the apparent owner.

(3) A report under section 401 of this act may include personal information as defined in section 1401(1) of this act about the apparent owner or the apparent owner's property to the extent not otherwise prohibited by federal law.

(4) If a holder has changed its name while holding property presumed abandoned or is a successor to another person that previously held the property for the apparent owner, the holder must include in the report under section 401 of this act its former name or the name of the previous holder, if any, and the known name and address of each previous holder of the property.

NEW SECTION. Sec. 403. WHEN REPORT TO BE FILED. (1) Except as otherwise provided in subsection (2) of this section and subject to subsection (3) of this section, the report under section 401 of this act must be filed before November 1st

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of each year and cover the 12 months preceding July 1st of that year.

(2) Subject to subsection (3) of this section, the report under section 401 of this act to be filed by an insurance company must be filed before May 1st of each year for the immediately preceding calendar year.

(3) Before the date for filing the report under section 401 of this act, the holder of property presumed abandoned may request the administrator to extend the time for filing. The administrator may grant an extension. If the extension is granted, the holder may pay or make a partial payment of the amount the holder estimates ultimately will be due. The payment or partial payment terminates accrual of interest on the amount paid.

NEW SECTION. Sec. 404. RETENTION OF RECORDS BY HOLDER. A holder required to file a report under section 401 of this act must retain records for six years after the later of the date the report was filed or the last date a timely report was due to be filed, unless a shorter period is provided by rule of the administrator. The holder may satisfy the requirement to retain records under this section through an agent. The records must contain:

- (1) The information required to be included in the report;
- (2) The date, place, and nature of the circumstances that gave rise to the property right;
- (3) The amount or value of the property;
- (4) The last address of the apparent owner, if known to the holder; and
- (5) If the holder sells, issues, or provides to others for sale or issue in this state traveler's checks, money orders, or similar instruments, other than third-party bank checks, on which the holder is directly liable, a record of the instruments while they remain outstanding indicating the state and date of issue.

NEW SECTION. Sec. 405. PROPERTY REPORTABLE AND PAYABLE OR DELIVERABLE ABSENT OWNER DEMAND. Property is reportable and payable or deliverable under this chapter even if the owner fails to make demand or present an instrument or document otherwise required to obtain payment.

NEW SECTION. Sec. 406. ABANDONED INTANGIBLE PROPERTY HELD BY A LOCAL GOVERNMENT. (1) A local government holding abandoned intangible property that is not forwarded to the department of revenue in subsection (2) of this section is not required to maintain current records of this property for longer than five years after the property is presumed abandoned, and at that time may archive records of this intangible property and transfer the intangible property to its general fund. However, the local government remains liable to pay the intangible property to a person or entity subsequently establishing its ownership of this intangible property.

(2) Counties, cities, towns, and other municipal and quasi-municipal corporations that hold funds representing warrants canceled pursuant to RCW 36.22.100 and 39.56.040, uncashed checks, and property tax overpayments or refunds may retain the funds until the owner notifies them and establishes ownership as provided in this chapter. Counties, cities, towns, or other municipal and quasi-municipal corporations must provide to the administrator a report of property it is holding pursuant to this section. The report must identify the property and owner in the manner provided in this part 4 and the administrator must publish the information as provided in section 503 of this act.

PART 5

NOTICE TO APPARENT OWNER OF PROPERTY PRESUMED ABANDONED

NEW SECTION. Sec. 501. NOTICE TO APPARENT

OWNER BY HOLDER. (1) Subject to subsection (2) of this section, the holder of property presumed abandoned shall send to the apparent owner notice by first-class United States mail that complies with section 502 of this act in a format acceptable to the administrator not more than 180 days nor less than 60 days before filing the report under section 401 of this act if:

- (a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be invalid and is sufficient to direct the delivery of first-class United States mail to the apparent owner; and
- (b) The value of the property is \$75 or more.

(2) If an apparent owner has consented to receive email delivery from the holder, the holder shall send the notice described in subsection (1) of this section both by first-class United States mail to the apparent owner's last known mailing address and by email, unless the holder believes that the apparent owner's email address is invalid.

NEW SECTION. Sec. 502. CONTENTS OF NOTICE BY HOLDER. (1) Notice under section 501 of this act must contain a heading that reads substantially as follows:

"Notice

The state of Washington requires us to notify you that your property may be transferred to the custody of the department of revenue if you do not contact us before (insert date that is 30 days after the date of this notice)."

(2) The notice under section 501 of this act must:

- (a) Identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice;
- (b) State that the property will be turned over to the administrator;
- (c) State that after the property is turned over to the administrator an apparent owner that seeks return of the property must file a claim with the administrator;
- (d) State that property that is not legal tender of the United States may be sold by the administrator; and
- (e) Provide instructions that the apparent owner must follow to prevent the holder from reporting and paying or delivering the property to the administrator.

NEW SECTION. Sec. 503. NOTICE BY ADMINISTRATOR. (1) The administrator shall give notice to an apparent owner that property presumed abandoned and appears to be owned by the apparent owner is held by the administrator under this chapter.

(2) In providing notice under subsection (1) of this section, the administrator shall:

- (a) Except as otherwise provided in (b) of this subsection, send written notice by first-class United States mail to each apparent owner of property valued at \$75 or more held by the administrator, unless the administrator determines that a mailing by first-class United States mail would not be received by the apparent owner, and, in the case of a security held in an account for which the apparent owner had consented to receiving email from the holder, send notice by email if the email address of the apparent owner is known to the administrator instead of by first-class United States mail; or
- (b) Send the notice to the apparent owner's email address if the administrator does not have a valid United States mail address for an apparent owner, but has an email address that the administrator does not know to be invalid.

(3) In addition to the notice under subsection (2) of this section, the administrator shall:

- (a) Publish every 12 months in the printed or online version of a newspaper of general circulation within this state, which the administrator determines is most likely to give notice to the

apparent owner of the property, notice of property held by the administrator which must include:

(i) The total value of property received by the administrator during the preceding 12-month period, taken from the reports under section 401 of this act;

(ii) The total value of claims paid by the administrator during the preceding 12-month period;

(iii) The internet web address of the unclaimed property website maintained by the administrator;

(iv) A telephone number and email address to contact the administrator to inquire about or claim property; and

(v) A statement that a person may access the internet by a computer to search for unclaimed property and a computer may be available as a service to the public at a local public library; and

(b) Maintain a website or database accessible by the public and electronically searchable which contains the names reported to the administrator of all apparent owners for whom property is being held by the administrator.

(4) The website or database maintained under subsection (3)(b) of this section must include instructions for filing with the administrator a claim to property and a printable claim form with instructions for its use.

(5) In addition to giving notice under subsection (2) of this section, publishing the information under subsection (3)(a) of this section and maintaining the website or database under subsection (3)(b) of this section, the administrator may use other printed publication, telecommunications, the internet, or other media to inform the public of the existence of unclaimed property held by the administrator.

NEW SECTION. Sec. 504. COOPERATION AMONG STATE OFFICERS AND AGENCIES TO LOCATE APPARENT OWNER. Unless prohibited by law of this state other than this chapter, on request of the administrator, each officer, agency, board, commission, division, and department of this state, any body politic and corporate created by this state for a public purpose, and each political subdivision of this state shall make its books and records available to the administrator and cooperate with the administrator to determine the current address of an apparent owner of property held by the administrator under this chapter.

PART 6 TAKING CUSTODY OF PROPERTY BY ADMINISTRATOR

NEW SECTION. Sec. 601. DEFINITION OF GOOD FAITH. In this section and sections 602 through 610 of this act, payment or delivery of property is made in good faith if a holder:

(1) Had a reasonable basis for believing, based on the facts then known, that the property was required or permitted to be paid or delivered to the administrator under this chapter; or

(2) Made payment or delivery:

(a) In response to a demand by the administrator or administrator's agent; or

(b) Under a guidance or ruling issued by the administrator which the holder reasonably believed required or permitted the property to be paid or delivered.

NEW SECTION. Sec. 602. DORMANCY CHARGE. (1) A holder may deduct a dormancy charge from property required to be paid or delivered to the administrator if:

(a) A valid contract between the holder and the apparent owner authorizes imposition of the charge for the apparent owner's failure to claim the property within a specified time; and

(b) The holder regularly imposes the charge and regularly does not reverse or otherwise cancel the charge.

(2) The amount of the deduction under subsection (1) of this section is limited to an amount that is not unconscionable considering all relevant factors, including the marginal

transactional costs incurred by the holder in maintaining the apparent owner's property and any services received by the apparent owner.

NEW SECTION. Sec. 603. PAYMENT OR DELIVERY OF PROPERTY TO ADMINISTRATOR. (1)(a) Except as otherwise provided in this section, on filing a report under section 401 of this act, the holder shall pay or deliver to the administrator the property described in the report. Holders who are required to file a report electronically under this chapter must remit payments under this section by electronic funds transfer or other form of electronic payment acceptable to the administrator. However, the administrator, upon request or its own initiative, may relieve any holder or class of holders from the electronic payment requirement under this subsection for good cause as determined by the administrator.

(b) For purposes of this subsection, "good cause" means:

(i) A circumstance or condition exists that, in the administrator's judgment, prevents the holder from remitting payments due under this section electronically; or

(ii) The administrator determines that relief from the electronic payment requirement under this subsection supports the efficient or effective administration of this chapter.

(2) If property in a report under section 401 of this act is an automatically renewable deposit and a penalty or forfeiture in the payment of interest would result from paying the deposit to the administrator at the time of the report, the date for payment of the property to the administrator is extended until a penalty or forfeiture no longer would result from payment, if the holder informs the administrator of the extended date.

(3) Tangible property in a safe deposit box may not be delivered to the administrator until 180 days after filing the report under section 401 of this act.

(4) If property reported to the administrator under section 401 of this act is a security, the administrator may:

(a) Make an endorsement, instruction, or entitlement order on behalf of the apparent owner to invoke the duty of the issuer, its transfer agent, or the securities intermediary to transfer the security; or

(b) Dispose of the security under section 702 of this act.

(5) If the holder of that property reported to the administrator under section 401 of this act is the issuer of a certificated security, the administrator may obtain a replacement certificate in physical or book-entry form under RCW 62A.8-405. An indemnity bond is not required.

(6) The administrator shall establish procedures for the registration, issuance, method of delivery, transfer, and maintenance of securities delivered to the administrator by a holder.

(7) An issuer, holder, and transfer agent or other person acting under this section under instructions of and on behalf of the issuer or holder is not liable to the apparent owner for, and must be indemnified by the state against, a claim arising with respect to property after the property has been delivered to the administrator.

(8) A holder is not required to deliver to the administrator a security identified by the holder as a nonfreely transferable security. If the administrator or holder determines that a security is no longer a nonfreely transferable security, the holder shall deliver the security on the next regular date prescribed for delivery of securities under this chapter. The holder shall make a determination annually whether a security identified in a report filed under section 401 of this act as a nonfreely transferable security is no longer a nonfreely transferable security.

NEW SECTION. Sec. 604. EFFECT OF PAYMENT OR DELIVERY OF PROPERTY TO ADMINISTRATOR. (1) On payment or delivery of property to the administrator under this

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chapter, the administrator as agent for the state assumes custody and responsibility for safekeeping the property. A holder that pays or delivers property to the administrator in good faith and substantially complies with sections 501 and 502 of this act is relieved of liability arising thereafter with respect to payment or delivery of the property to the administrator.

(2) This state shall defend and indemnify a holder against liability on a claim against the holder resulting from the payment or delivery of property to the administrator made in good faith and after the holder substantially complied with sections 501 and 502 of this act.

NEW SECTION. Sec. 605. RECOVERY OF PROPERTY BY HOLDER FROM ADMINISTRATOR. (1) A holder that under this chapter pays money to the administrator may file a claim for reimbursement from the administrator of the amount paid if the holder:

(a) Paid the money in error; or

(b) After paying the money to the administrator, paid money to a person the holder reasonably believed was entitled to the money.

(2) If a claim for reimbursement under subsection (1) of this section is made for a payment made on a negotiable instrument, including a traveler's check, money order, or similar instrument, the holder must submit proof that the instrument was presented and payment was made to a person the holder reasonably believed was entitled to payment. The holder may claim reimbursement even if the payment was made to a person whose claim was made after expiration of a period of limitation on the owner's right to receive or recover property, whether specified by contract, statute, or court order.

(3) If a holder is reimbursed by the administrator under subsection (1)(b) of this section, the holder may also recover from the administrator income or gain under section 607 of this act that would have been paid to the owner if the money had been claimed from the administrator by the owner to the extent the income or gain was paid by the holder to the owner.

(4) A holder that under this chapter delivers property other than money to the administrator may file a claim for return of the property from the administrator if:

(a) The holder delivered the property in error; or

(b) The apparent owner has claimed the property from the holder.

(5) If a claim for return of property under subsection (4) of this section is made, the holder shall include with the claim evidence sufficient to establish that the apparent owner has claimed the property from the holder or that the property was delivered by the holder to the administrator in error.

(6) The administrator may determine that an affidavit submitted by a holder is evidence sufficient to establish that the holder is entitled to reimbursement or to recover property under this section.

(7) A holder is not required to pay a fee or other charge for reimbursement or return of property under this section.

(8) Not later than 90 days after a claim is filed under subsection (1) or (4) of this section, the administrator shall allow or deny the claim and give the claimant notice of the decision in a record. If the administrator does not take action on a claim during the 90-day period, the claim is deemed denied.

(9) Decisions under this section are subject to review under sections 1103 and 1104 of this act.

NEW SECTION. Sec. 606. PROPERTY REMOVED FROM SAFE DEPOSIT BOX. Property removed from a safe deposit box and delivered to the administrator under this chapter is subject to the holder's right to reimbursement for the cost of opening the box and a lien or contract providing reimbursement

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to the holder for unpaid rent charges for the box. The administrator shall reimburse the holder from the proceeds remaining after deducting the expense incurred by the administrator in selling the property.

NEW SECTION. Sec. 607. CREDITING INCOME OR GAIN TO OWNER'S ACCOUNT. If property other than money is delivered to the administrator, the owner is entitled to receive from the administrator income or gain realized or accrued on the property before the property is sold. If the property was an interest-bearing demand, savings, or time deposit, the administrator shall pay interest at the rate the property earned while in possession of the holder. Interest begins to accrue when the property is delivered to the administrator and ends on the earlier of the expiration of 10 years after its delivery or the date on which payment is made to the owner.

NEW SECTION. Sec. 608. ADMINISTRATOR'S OPTIONS AS TO CUSTODY. (1) The administrator may decline to take custody of property reported under section 401 of this act if the administrator determines that:

(a) The property has a value less than the estimated expenses of notice and sale of the property; or

(b) Taking custody of the property would be unlawful.

(2) A holder may pay or deliver property to the administrator before the property is presumed abandoned under this chapter if the holder:

(a) Sends the apparent owner of the property notice required by section 501 of this act and provides the administrator evidence of the holder's compliance with this subsection (2)(a);

(b) Includes with the payment or delivery a report regarding the property conforming to section 402 of this act; and

(c) First obtains the administrator's consent in a record to accept payment or delivery.

(3) A holder's request for the administrator's consent under subsection (2)(c) of this section must be in a record. If the administrator fails to respond to the request not later than 30 days after receipt of the request, the administrator is deemed to consent to the payment or delivery of the property and the payment or delivery is considered to have been made in good faith.

(4) On payment or delivery of property under subsection (2) of this section, the property is presumed abandoned.

NEW SECTION. Sec. 609. DISPOSITION OF PROPERTY HAVING NO SUBSTANTIAL VALUE—IMMUNITY FROM LIABILITY. (1) If the administrator takes custody of property delivered under this chapter and later determines that the property has no substantial commercial value or that the cost of disposing of the property will exceed the value of the property, the administrator may return the property to the holder or destroy or otherwise dispose of the property.

(2) An action or proceeding may not be commenced against the state, an agency of the state, the administrator, another officer, employee, or agent of the state, or a holder for or because of an act of the administrator under this section, except for intentional misconduct or malfeasance.

NEW SECTION. Sec. 610. PERIODS OF LIMITATION AND REPOSE. (1) Expiration, before, on, or after the effective date of this section, of a period of limitation on an owner's right to receive or recover property, whether specified by contract, statute, or court order, does not prevent the property from being presumed abandoned or affect the duty of a holder under this chapter to file a report or pay or deliver property to the administrator.

(2) The administrator may not commence an action or proceeding to enforce this chapter with respect to the reporting, payment, or delivery of property more than six years after the holder filed a nonfraudulent report under section 401 of this act

with the administrator. The parties may agree in a record to extend the limitation in this subsection.

(3) The administrator may not commence an action, proceeding, or examination with respect to a duty of a holder under this chapter more than 10 years after the duty arose.

PART 7

SALE OF PROPERTY BY ADMINISTRATOR

NEW SECTION. Sec. 701. PUBLIC SALE OF PROPERTY. (1) Except as otherwise provided in section 702 of this act, the administrator may sell the property (a) not earlier than two years after receipt of property stored in a safe deposit box and presumed abandoned; and (b) not earlier than three years after receipt of all other property presumed abandoned.

(2) Before selling property under subsection (1) of this section, the administrator shall give notice to the public of:

- (a) The date of the sale; and
- (b) A reasonable description of the property.

(3) A sale under subsection (1) of this section must be to the highest bidder:

(a) At public sale at a location in this state which the administrator determines to be the most favorable market for the property;

(b) On the internet; or

(c) On another forum the administrator determines is likely to yield the highest net proceeds of sale.

(4) The administrator may decline the highest bid at a sale under this section and reoffer the property for sale if the administrator determines the highest bid is insufficient.

(5) The administrator must publish at least one notice of the sale, at least three weeks but not more than five weeks before the sale, in a newspaper of general circulation in the county in which the property is sold.

NEW SECTION. Sec. 702. DISPOSAL OF SECURITIES. (1) Except as otherwise provided in this subsection, the administrator must sell all securities delivered to the administrator as required by this chapter as soon as practicable after taking custody, in the judgment of the administrator, after receipt by the administrator. However, this subsection does not apply with respect to any securities that, in the judgment of the administrator, cannot be sold, are worthless, or are not cost-effective to sell.

(2) Securities listed on an established stock exchange must be sold at prices prevailing at the time of sale on the exchange. Other securities may be sold over the counter at prices prevailing at the time of sale or by any other method the administrator considers advisable. All securities may be sold over the counter at prices prevailing at the time of the sale, or by any other method the administrator deems advisable.

NEW SECTION. Sec. 703. RECOVERY OF SECURITIES OR VALUE BY OWNER. (1) Except as otherwise provided in this section, a person making a claim under this chapter with respect to securities is only entitled to receive the proceeds received from sale, even if the sale of the securities has not been completed at the time the administrator receives the claim. However, if the administrator receives a claim for securities and the administrator has not ordered those securities to be sold as of the time the claim is received by the administrator, the claimant is entitled to receive either the securities delivered to the administrator by the holder, or the proceeds received from the sale, less any amounts deducted pursuant to section 803 of this act.

(2) With respect to securities that, in the judgment of the administrator, cannot be sold or are not cost-effective to sell and that remain in the possession of the administrator, a person making a claim under this chapter is only entitled to receive the securities delivered to the administrator by the holder.

NEW SECTION. Sec. 704. PURCHASER OWNS

PROPERTY AFTER SALE. A purchaser of property at a sale conducted by the administrator under this chapter takes the property free of all claims of the owner, a previous holder, or a person claiming through the owner or holder. The administrator shall execute documents necessary to complete the transfer of ownership to the purchaser.

NEW SECTION. Sec. 705. MILITARY MEDAL OR DECORATION. (1) The administrator may not sell a medal or decoration awarded for military service in the armed forces of the United States.

(2) The administrator, with the consent of the respective organization under (a) of this subsection, agency under (b) of this subsection, or entity under (c) of this subsection, may deliver a medal or decoration described in subsection (1) of this section to be held in custody for the owner, to:

(a) A military veterans organization qualified under the internal revenue code, as it existed on the effective date of this section, 26 U.S.C. Sec. 501(c)(19);

(b) The agency that awarded the medal or decoration; or

(c) A governmental entity.

(3) On delivery under subsection (2) of this section, the administrator is not responsible for safekeeping the medal or decoration.

PART 8

ADMINISTRATION OF PROPERTY

NEW SECTION. Sec. 801. DEPOSIT OF FUNDS BY ADMINISTRATOR. (1) Except as otherwise provided by this section, the administrator shall promptly deposit in the general fund of this state all funds received under this chapter, including the proceeds from the sale of property under sections 701 through 705 of this act. The administrator shall retain in a separate trust fund, the nonappropriated unclaimed personal property account, an amount not less than \$750,000 from which prompt payment of claims duly allowed must be made by the administrator.

(2) The administrator may pay from the trust fund provided in subsection (1) of this section any costs of administering this chapter including those costs set forth in section 803 of this act. Such amounts may be expended without appropriation.

(3) The department may periodically transfer from the general fund of this state to the unclaimed personal property account amounts necessary to accommodate the requirements of this section.

NEW SECTION. Sec. 802. ADMINISTRATOR TO RETAIN RECORDS OF PROPERTY. The administrator shall:

(1) Record and retain the name and last known address of each person shown on a report filed under section 401 of this act to be the apparent owner of property delivered to the administrator;

(2) Record and retain the name and last known address of each insured or annuitant and beneficiary shown on the report;

(3) For each policy of insurance or annuity contract listed in the report of an insurance company, record and retain the policy or account number, the name of the company, and the amount due or paid; and

(4) For each apparent owner listed in the report, record and retain the name of the holder that filed the report and the amount due or paid.

NEW SECTION. Sec. 803. EXPENSES AND SERVICE CHARGES OF ADMINISTRATOR. The administrator may expend from the unclaimed personal property account for the following purposes:

(1) Expenses of disposition of property delivered to the administrator under this chapter;

(2) Costs of mailing and publication in connection with property delivered to the administrator under this chapter;

(3) Reasonable service charges; and

(4) Expenses incurred in examining records of or collecting

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property from a putative holder or holder.

NEW SECTION. Sec. 804. ADMINISTRATOR HOLDS PROPERTY AS CUSTODIAN FOR OWNER. Property received by the administrator under this chapter is held in custody for the benefit of the owner and is not owned by the state.

PART 9

CLAIM TO RECOVER PROPERTY FROM ADMINISTRATOR

NEW SECTION. Sec. 901. CLAIM OF ANOTHER STATE TO RECOVER PROPERTY. (1) If the administrator knows that property held by the administrator under this chapter is subject to a superior claim of another state, the administrator shall:

(a) Report and pay or deliver the property to the other state; or
(b) Return the property to the holder so that the holder may pay or deliver the property to the other state.

(2) The administrator is not required to enter into an agreement to transfer property to the other state under subsection (1) of this section.

NEW SECTION. Sec. 902. WHEN PROPERTY SUBJECT TO RECOVERY BY ANOTHER STATE. (1) Property held under this chapter by the administrator is subject to the right of another state to take custody of the property if:

(a) The property was paid or delivered to the administrator because the records of the holder did not reflect a last known address in the other state of the apparent owner and:

(i) The other state establishes that the last known address of the apparent owner or other person entitled to the property was in the other state; or

(ii) Under the law of the other state, the property has become subject to a claim by the other state of abandonment;

(b) The records of the holder did not accurately identify the owner of the property, the last known address of the owner was in another state, and, under the law of the other state, the property has become subject to a claim by the other state of abandonment;

(c) The property was subject to the custody of the administrator of this state under section 305 of this act and, under the law of the state of domicile of the holder, the property has become subject to a claim by the state of domicile of the holder of abandonment; or

(d) The property:

(i) Is a sum payable on a traveler's check, money order, or similar instrument that was purchased in the other state and delivered to the administrator under section 306 of this act; and

(ii) Under the law of the other state, has become subject to a claim by the other state of abandonment.

(2) A claim by another state to recover property under this section must be presented in a form prescribed by the administrator, unless the administrator waives presentation of the form.

(3) The administrator shall decide a claim under this section not later than 90 days after it is presented. If the administrator determines that the other state is entitled under subsection (1) of this section to custody of the property, the administrator shall allow the claim and pay or deliver the property to the other state.

(4) The administrator may require another state, before recovering property under this section, to agree to indemnify this state and its agents, officers, and employees against any liability on a claim to the property.

NEW SECTION. Sec. 903. CLAIM FOR PROPERTY BY PERSON CLAIMING TO BE OWNER. (1) A person claiming to be the owner of property held under this chapter by the administrator may file a claim for the property on a form prescribed by the administrator. The claimant must verify the claim as to its completeness and accuracy.

(2) The administrator may waive the requirement in subsection (1) of this section and may pay or deliver property directly to a person if:

(a) The person receiving the property or payment is shown to be the apparent owner included on a report filed under section 401 of this act; and

(b) The administrator reasonably believes the person is entitled to receive the property or payment.

NEW SECTION. Sec. 904. WHEN ADMINISTRATOR MUST HONOR CLAIM FOR PROPERTY. (1) The administrator shall pay or deliver property to a claimant under section 903(1) of this act if the administrator receives evidence sufficient to establish to the satisfaction of the administrator that the claimant is the owner of the property.

(2) Not later than 90 days after a claim is filed under section 903(1) of this act, the administrator shall allow or deny the claim and give the claimant notice in a record of the decision.

(3) If the claim is denied under subsection (2) of this section:

(a) The administrator shall inform the claimant of the reason for the denial and specify what additional evidence, if any, is required for the claim to be allowed;

(b) The claimant may file an amended claim with the administrator or commence an action under section 906 of this act; and

(c) The administrator shall consider an amended claim filed under (b) of this subsection as an initial claim.

(4) If the administrator does not take action on a claim during the 90-day period following the filing of a claim under section 903(1) of this act, the claim is deemed denied.

NEW SECTION. Sec. 905. ALLOWANCE OF CLAIM FOR PROPERTY. (1) Not later than 30 days after a claim is allowed under section 904(2) of this act, the administrator shall pay or deliver to the owner the property or pay to the owner the net proceeds of a sale of the property, together with income or gain to which the owner is entitled under section 607 of this act. On request of the owner, the administrator may sell or liquidate a security and pay the net proceeds to the owner, even if the security had been held by the administrator for less than three years or the administrator has not complied with the notice requirements under section 702 of this act.

(2) Property held under this chapter by the administrator is subject to a claim for the payment of an enforceable debt the owner owes in this state for:

(a) Child support arrearages, including child support collection costs and child support arrearages that are combined with maintenance;

(b) A civil or criminal fine or penalty, court costs, a surcharge, or restitution imposed by a final order of an administrative agency or a final court judgment; or

(c) State or local taxes, penalties, and interest that have been determined to be delinquent.

(3) Before delivery or payment to an owner under subsection (1) of this section of property or payment to the owner of net proceeds of a sale of the property, the administrator first shall apply the property or net proceeds to a debt under subsection (2) of this section the administrator determines is owed by the owner. The administrator shall pay the amount to the appropriate state or local agency and notify the owner of the payment.

(4) The administrator may make periodic inquiries of state and local agencies in the absence of a claim filed under section 903 of this act to determine whether an apparent owner included in the unclaimed property records of this state has enforceable debts described in subsection (2) of this section. The administrator first shall apply the property or net proceeds of a sale of property held by the administrator to a debt under subsection (2) of this section

of an apparent owner which appears in the records of the administrator and deliver the amount to the appropriate state or local agency. The administrator shall notify the apparent owner of the payment.

NEW SECTION. Sec. 906. ACTION BY PERSON WHOSE CLAIM IS DENIED. Not later than one year after filing a claim under section 904(1) of this act, the claimant may commence an action against the administrator in Thurston county superior court to establish a claim that has been denied or deemed denied under section 904 of this act.

PART 10

VERIFIED REPORT OF PROPERTY—EXAMINATION OF RECORDS

NEW SECTION. Sec. 1001. VERIFIED REPORT OF PROPERTY. If a person does not file a report required by section 401 of this act or the administrator believes that a person may have filed an inaccurate, incomplete, or false report, the administrator may require the person to file a verified report in a form prescribed by the administrator. The verified report must:

- (1) State whether the person is holding property reportable under this chapter;
- (2) Describe property not previously reported or about which the administrator has inquired;
- (3) Specifically identify property described under subsection (2) of this section about which there is a dispute whether it is reportable under this section; and
- (4) State the amount or value of the property.

NEW SECTION. Sec. 1002. EXAMINATION OF RECORDS TO DETERMINE COMPLIANCE. The administrator, at reasonable times and on reasonable notice, may:

- (1) Examine the records of a person, including examination of appropriate records in the possession of an agent of the person under examination, if the records are reasonably necessary to determine whether the person has complied with this chapter;
- (2) Issue an administrative subpoena requiring the person or agent of the person to make records available for examination; and
- (3) Bring an action seeking judicial enforcement of the subpoena.

NEW SECTION. Sec. 1003. RULES FOR CONDUCTING EXAMINATION. (1) The administrator shall adopt rules governing procedures and standards for an examination under section 1002 of this act, including rules for use of an estimation, extrapolation, and statistical sampling in conducting an examination.

(2) An examination under section 1002 of this act must be performed under rules adopted under subsection (1) of this section and with generally accepted examination practices and standards applicable to an unclaimed property examination.

(3) If a person subject to examination under section 1002 of this act has filed the reports required under sections 401 and 1001 of this act and has retained the records required by section 404 of this act, the following rules apply:

- (a) The examination must include a review of the person's records.
- (b) The examination may not be based on an estimate unless the person expressly consents in a record to the use of an estimate or the person has failed to make its records available to the administrator for examination.

(c) The person conducting the examination shall consider the evidence presented in good faith by the person in preparing the findings of the examination under section 1007 of this act.

NEW SECTION. Sec. 1004. RECORDS OBTAINED IN EXAMINATION. Records obtained and records, including work papers, compiled by the administrator in the course of conducting an examination under section 1002 of this act:

(1) Are subject to the confidentiality and security provisions of sections 1401 through 1408 of this act and are not public records;

(2) May be used by the administrator in an action to collect property or otherwise enforce this chapter;

(3) May be used in a joint examination conducted with another state, the United States, a foreign country or subordinate unit of a foreign country, or any other governmental entity if the governmental entity conducting the examination is legally bound to maintain the confidentiality and security of information obtained from a person subject to examination in a manner substantially equivalent to sections 1401 through 1408 of this act;

(4) Must be disclosed, on request, to the person that administers the unclaimed property law of another state for that state's use in circumstances equivalent to circumstances described in this section and sections 1001 through 1003 and 1005 through 1013 of this act, if the other state is required to maintain the confidentiality and security of information obtained in a manner substantially equivalent to sections 1401 through 1408 of this act;

(5) Must be produced by the administrator under an administrative or judicial subpoena or administrative or court order; and

(6) Must be produced by the administrator on request of the person subject to the examination in an administrative or judicial proceeding relating to the property.

NEW SECTION. Sec. 1005. EVIDENCE OF UNPAID DEBT OR UNDISCHARGED OBLIGATION. (1) A record of a putative holder showing an unpaid debt or undischarged obligation is prima facie evidence of the debt or obligation.

(2) A putative holder may establish by a preponderance of the evidence that there is no unpaid debt or undischarged obligation for a debt or obligation described in subsection (1) of this section or that the debt or obligation was not, or no longer is, a fixed and certain obligation of the putative holder.

(3) A putative holder may overcome prima facie evidence under subsection (1) of this section by establishing by a preponderance of the evidence that a check, draft, or similar instrument was:

- (a) Issued as an unaccepted offer in settlement of an unliquidated amount;
- (b) Issued but later was replaced with another instrument because the earlier instrument was lost or contained an error that was corrected;
- (c) Issued to a party affiliated with the issuer;
- (d) Paid, satisfied, or discharged;
- (e) Issued in error;
- (f) Issued without consideration;
- (g) Issued but there was a failure of consideration;
- (h) Voided within a reasonable time after issuance for a valid business reason set forth in a contemporaneous record; or
- (i) Issued but not delivered to the third-party payee for a sufficient reason recorded within a reasonable time after issuance.

(4) In asserting a defense under this section, a putative holder may present evidence of a course of dealing between the putative holder and the apparent owner or of custom and practice.

NEW SECTION. Sec. 1006. FAILURE OF PERSON EXAMINED TO RETAIN RECORDS. If a person subject to examination under section 1002 of this act does not retain the records required by section 404 of this act, the administrator may determine the value of property due using a reasonable method of estimation based on all information available to the administrator, including extrapolation and use of statistical sampling when appropriate and necessary, consistent with examination procedures and standards adopted under section 1003(1) of this act and in accordance with section 1003(2) of this act.

NEW SECTION. Sec. 1007. REPORT TO PERSON WHOSE RECORDS WERE EXAMINED. At the conclusion of

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an examination under section 1002 of this act, the administrator shall provide to the person whose records were examined a complete and unredacted examination report that specifies:

- (1) The work performed;
- (2) The property types reviewed;
- (3) The methodology of any estimation technique, extrapolation, or statistical sampling used in conducting the examination;
- (4) Each calculation showing the value of property determined to be due; and
- (5) The findings of the person conducting the examination.

NEW SECTION. Sec. 1008. COMPLAINT TO ADMINISTRATOR ABOUT CONDUCT OF PERSON CONDUCTING EXAMINATION. (1) If a person subject to examination under section 1002 of this act believes the person conducting the examination has made an unreasonable or unauthorized request or is not proceeding expeditiously to complete the examination, the person in a record may ask the administrator to intervene and take appropriate remedial action, including countermanning the request of the person conducting the examination, imposing a time limit for completion of the examination, or reassigning the examination to another person.

(2) If a person in a record requests a conference with the administrator to present matters that are the basis of a request under subsection (1) of this section, the administrator shall hold the conference not later than 30 days after receiving the request. The administrator may hold the conference in person, by telephone, or by electronic means.

(3) If a conference is held under subsection (2) of this section, not later than 30 days after the conference ends, the administrator shall provide a report in a record of the conference to the person that requested the conference.

NEW SECTION. Sec. 1009. ADMINISTRATOR'S CONTRACT WITH ANOTHER TO CONDUCT EXAMINATION. (1) In this section, "related to the administrator" refers to an individual who is:

- (a) The administrator's spouse, partner in a civil union, domestic partner, or reciprocal beneficiary;
- (b) The administrator's child, stepchild, grandchild, parent, stepparent, sibling, stepsibling, half-sibling, aunt, uncle, niece, or nephew;
- (c) A spouse, partner in a civil union, domestic partner, or reciprocal beneficiary of an individual under (b) of this subsection; or
- (d) Any individual residing in the administrator's household.

(2) The administrator may contract with a person to conduct an examination under this section and sections 1001 through 1008 and 1010 through 1013 of this act. The contract may be awarded only under chapter 39.26 RCW.

(3) If the person with which the administrator contracts under subsection (2) of this section is:

- (a) An individual, the individual may not be related to the administrator; or
- (b) A business entity, the entity may not be owned in whole or in part by the administrator or an individual related to the administrator.

(4) At least 60 days before assigning a person under contract with the administrator under subsection (2) of this section to conduct an examination, the administrator shall demand in a record that the person to be examined submit a report and deliver property that is previously unreported.

(5) If the administrator contracts with a person under subsection (2) of this section:

- (a) The contract may provide for compensation of the person based on a fixed fee, hourly fee, or contingent fee;

(b) A contingent fee arrangement may not provide for a payment that exceeds 10 percent of the amount or value of property paid or delivered as a result of the examination; and

(c) On request by a person subject to examination by a contractor, the administrator shall deliver to the person a complete and unredacted copy of the contract.

(6) A contract under subsection (2) of this section is subject to public disclosure without redaction under chapter 42.56 RCW.

NEW SECTION. Sec. 1010. LIMIT ON FUTURE EMPLOYMENT. The administrator or an individual employed by the administrator who participates in, recommends, or approves the award of a contract under section 1009(2) of this act on or after the effective date of this section may not be employed by, contracted with, or compensated in any capacity by the contractor or an affiliate of the contractor for two years after the latest of participation in, recommendation of, or approval of the award or conclusion of the contract.

NEW SECTION. Sec. 1011. REPORT BY ADMINISTRATOR TO STATE OFFICIAL. (1) Not later than three months after the end of the state fiscal year, the administrator shall compile and submit a report to the governor and legislature. The report must contain the following information about property presumed abandoned for the preceding fiscal year for the state:

(a) The total amount and value of all property paid or delivered under this chapter to the administrator, separated into:

- (i) The part voluntarily paid or delivered; and
- (ii) The part paid or delivered as a result of an examination under section 1002 of this act, separated into the part recovered as a result of an examination conducted by:

- (A) A state employee; and
- (B) A contractor under section 1009 of this act;

(b) The name of and amount paid to each contractor under section 1009 of this act and the percentage the total compensation paid to all contractors under section 1009 of this act bears to the total amount paid or delivered to the administrator as a result of all examinations performed under section 1009 of this act;

(c) The total amount and value of all property paid or delivered by the administrator to persons that made claims for property held by the administrator under this chapter and the percentage the total payments made and value of property delivered to claimants bears to the total amounts paid and value delivered to the administrator; and

(d) The total amount of claims made by persons claiming to be owners which:

- (i) Were denied;
- (ii) Were allowed; and
- (iii) Are pending.

(2) The report under subsection (1) of this section is a public record subject to public disclosure without redaction under chapter 42.56 RCW.

NEW SECTION. Sec. 1012. DETERMINATION OF LIABILITY FOR UNREPORTED REPORTABLE PROPERTY. If the administrator determines from an examination conducted under section 1002 of this act that a putative holder failed or refused to pay or deliver to the administrator property which is reportable under this chapter, the administrator shall issue a determination of the putative holder's liability to pay or deliver and give notice in a record to the putative holder of the determination.

NEW SECTION. Sec. 1013. INTEREST AND PENALTIES. (1) A person who fails to pay or deliver property when due is required to pay to the administrator interest at the rate as computed under RCW 82.32.050(1)(c) and set under RCW 82.32.050(2). However, the administrator must waive or cancel

interest imposed under this subsection if:

(a) The administrator finds that the failure to pay or deliver the property within the time prescribed by this chapter was the result of circumstances beyond the person's control sufficient for waiver or cancellation of interest under RCW 82.32.105;

(b) The failure to timely pay or deliver the property within the time prescribed by this chapter was the direct result of written instructions given to the person by the administrator; or

(c) The extension of a due date for payment or delivery under an assessment issued by the administrator was not at the person's request and was for the sole convenience of the administrator.

(2) If a person fails to file any report or to pay or deliver any amounts or property when due under a report required under this chapter, there is assessed a penalty equal to 10 percent of the amount unpaid and the value of any property not delivered.

(3) If an examination results in an assessment for amounts unpaid or property not delivered, there is assessed a penalty equal to 10 percent of the amount unpaid and the value of any property not delivered.

(4) If a person fails to pay or deliver to the administrator by the due date any amounts or property due under an assessment issued by the administrator to the person, there is assessed an additional penalty of five percent of the amount unpaid and the value of any property not delivered.

(5) If a holder makes a fraudulent report under this chapter, the administrator may require the holder to pay the administrator, in addition to interest under this section, a civil penalty of \$1,000 for each day from the date the report was made until corrected, up to a cumulative maximum amount of \$25,000, plus 25 percent of the amount or value of any property that should have been reported or was underreported.

(6) Penalties under subsections (2) through (4) of this section may be waived or canceled only if the administrator finds that the failure to pay or deliver within the time prescribed by this chapter was the result of circumstances beyond the person's control sufficient for waiver or cancellation of penalties under RCW 82.32.105.

(7) If a person willfully fails to file a report or to provide written notice to apparent owners as required under this chapter, the administrator may assess a civil penalty of \$100 for each day the report is withheld or the notice is not sent, but not more than \$5,000.

(8) If a holder, having filed a report, failed to file the report electronically as required by RCW 63.29.170, or failed to pay electronically any amounts due under the report as required by RCW 63.29.190, the administrator must assess a penalty equal to five percent of the amount payable or deliverable under the report, unless the administrator grants the taxpayer relief from the electronic filing and payment requirements. Total penalties assessed under this subsection may not exceed five percent of the amount payable and value of property deliverable under the report.

(9) If a holder enters into a contract or other arrangement for the purpose of evading an obligation under this chapter or otherwise willfully fails to perform a duty imposed on the holder under this chapter, the administrator may require the holder to pay the administrator, in addition to interest as provided in this section, a civil penalty of \$1,000 for each day the obligation is evaded or the duty not performed, up to a cumulative maximum amount of \$25,000, plus 25 percent of the amount or value of property that should have been but was not reported, paid, or delivered as a result of the evasion or failure to perform.

(10) The penalties imposed in this section are cumulative.

NEW SECTION. Sec. 1014. The administrator may waive, in whole and in part, interest under section 1013 of this act and penalties under section 1013 (5) and (9) of this act.

PART 11

DETERMINATION OF LIABILITY—PUTATIVE HOLDER REMEDIES

NEW SECTION. Sec. 1101. INFORMAL

CONFERENCE. (1) Not later than 30 days after receipt of a notice under section 1012 of this act, the putative holder may request an informal conference with the administrator to review the determination. Except as otherwise provided in this section, the administrator may designate an employee to act on behalf of the administrator.

(2) If a putative holder makes a timely request under subsection (1) of this section for an informal conference:

(a) Not later than 20 days after the date of the request, the administrator shall set the time and place of the conference;

(b) The administrator shall give the putative holder notice in a record of the time and place of the conference;

(c) The conference may be held in person, by telephone, or by electronic means, as determined by the administrator;

(d) The request tolls the 90-day period under sections 1103 and 1104 of this act until notice of a decision under (g) of this subsection has been given to the putative holder or the putative holder withdraws the request for the conference;

(e) The conference may be postponed, adjourned, and reconvened as the administrator determines appropriate;

(f) The administrator or administrator's designee with the approval of the administrator may modify a determination made under section 1012 of this act or withdraw it; and

(g) The administrator shall issue a decision in a record and provide a copy of the record to the putative holder and examiner not later than 20 days after the conference ends.

(3) A conference under subsection (2) of this section is not an administrative remedy and is not a contested case subject to chapter 34.05 RCW. An oath is not required and rules of evidence do not apply in the conference.

(4) At a conference under subsection (2) of this section, the putative holder must be given an opportunity to confer informally with the administrator and the person that examined the records of the putative holder to:

(a) Discuss the determination made under section 1012 of this act; and

(b) Present any issue concerning the validity of the determination.

(5) If the administrator fails to act within the period prescribed in subsection (2)(a) or (g) of this section, the failure does not affect a right of the administrator, except that interest does not accrue on the amount for which the putative holder was determined to be liable under section 1012 of this act during the period in which the administrator failed to act until the earlier of:

(a) The date under section 1103 of this act the putative holder initiates administrative review or files an action under section 1104 of this act; or

(b) Ninety days after the putative holder received notice of the administrator's determination under section 1012 of this act if no review was initiated under section 1103 of this act and no action was filed under section 1104 of this act.

(6) The administrator may hold an informal conference with a putative holder about a determination under section 1012 of this act without a request at any time before the putative holder initiates administrative review under section 1103 of this act or files an action under section 1104 of this act.

(7) Interest and penalties under section 1013 of this act continue to accrue on property not reported, paid, or delivered as required by this chapter after the initiation, and during the pendency, of an informal conference under this section.

NEW SECTION. Sec. 1102. REVIEW OF ADMINISTRATOR'S DETERMINATION. A putative holder

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may seek relief from a determination under section 1012 of this act by:

- (1) Administrative review under section 1103 of this act; or
- (2) Judicial review under section 1104 of this act.

NEW SECTION. Sec. 1103. ADMINISTRATIVE REVIEW. Any person having been issued a determination by the administrator, or a denial of an application for a refund or return of property, under the provisions of this chapter is entitled to a review by the administrator conducted in accordance with the provisions of RCW 34.05.410 through 34.05.494, subject to judicial review under RCW 34.05.510 through 34.05.598. A petition for review under this section is timely if received in writing by the administrator on or before 90 days after the holder receives the determination from the administrator pursuant to section 1012 of this act or from any extension of the due date granted by the administrator, or in the case of a refund or return application, 30 days after the administrator rejects the application in writing, regardless of any subsequent action by the administrator to reconsider its initial decision. The period for filing a petition for review under this section may be extended as provided in a rule adopted by the administrator under chapter 34.05 RCW or upon a written agreement signed by the holder and the administrator.

NEW SECTION. Sec. 1104. JUDICIAL REMEDY. (1) Any person who has paid or delivered property to the administrator under the provisions of this chapter, except one who has failed to keep and preserve records as required in this chapter, feeling aggrieved by such payment or delivery, may appeal to the Thurston county superior court. The person filing a notice of appeal under this section is deemed the plaintiff, and the administrator, the defendant.

(2) An appeal under this section must be made within 30 days after the administrator rejects in writing an application for refund or return of property, regardless of any subsequent action by the administrator to reconsider its initial decision.

(3)(a) In an appeal filed under this section, the plaintiff must set forth the amount or property, if any, payable or deliverable on the report or assessment that the plaintiff is contesting, which the holder concedes to be the correct amount payable or deliverable, and the reason why the amount payable or deliverable should be reduced or abated.

(b) The appeal is perfected only by serving a copy of the notice of appeal upon the administrator and filing the original with proof of service with the clerk of the superior court of Thurston county, within the time specified in subsection (2) of this section.

(4)(a) The trial in the superior court on appeal must be de novo and without the necessity of any pleadings other than the notice of appeal. At trial, the burden is on the plaintiff to (i) prove that the amount paid by that person is incorrect, either in whole or in part, or the property in question was delivered in error to the administrator, and (ii) establish the correct amount payable or the property required to be delivered to the administrator, if any.

(b) Both parties are entitled to subpoena the attendance of witnesses as in other civil actions and to produce evidence that is competent, relevant, and material to determine the correct amount due, if any, that should be paid by the plaintiff.

(c) Either party may seek appellate review in the same manner as other civil actions are appealed to the appellate courts.

(5) An appeal may be maintained under this section without the need for the plaintiff to first:

(a) Protest against the payment of any amount due or reportable under this chapter or to make any demand to have such amount refunded or returned; or

(b) Petition the administrator for a refund, return of property, or a review of its action as authorized in section 1103 of this act.

(6) No court action or proceeding of any kind may be maintained by the plaintiff to recover any amount paid, delivered, or reported to the administrator under this chapter, except as provided in this section or as may be available to the plaintiff under RCW 34.05.510 through 34.05.598.

(7) No appeal may be maintained under this section with respect to matters reviewed by the administrator under the provisions of chapter 34.05 RCW.

PART 12

ENFORCEMENT BY ADMINISTRATOR

NEW SECTION. Sec. 1201. JUDICIAL ACTION TO ENFORCE LIABILITY. (1) If a determination under section 1012 of this act becomes final and is not subject to administrative or judicial review, the administrator may commence an action in superior court or in an appropriate court of another state to enforce the determination and secure payment or delivery of past due, unpaid, or undelivered property. The action must be brought not later than one year after the determination becomes final.

(2) In an action under subsection (1) of this section, if no court in this state has jurisdiction over the defendant, the administrator may commence an action in any court having jurisdiction over the defendant.

NEW SECTION. Sec. 1202. INTERSTATE AND INTERNATIONAL AGREEMENT—COOPERATION. (1) Subject to subsection (2) of this section, the administrator may:

(a) Exchange information with another state or foreign country relating to property presumed abandoned or relating to the possible existence of property presumed abandoned; and

(b) Authorize in a record another state or foreign country or a person acting on behalf of the other state or country to examine its records of a putative holder as provided in sections 1001 through 1013 of this act.

(2) An exchange or examination under subsection (1) of this section may be done only if the state or foreign country has confidentiality and security requirements substantially equivalent to those in sections 1401 through 1408 of this act or agrees in a record to be bound by this state's confidentiality and security requirements.

NEW SECTION. Sec. 1203. ACTION INVOLVING ANOTHER STATE OR FOREIGN COUNTRY. (1) The administrator may join another state or foreign country to examine and seek enforcement of this chapter against a putative holder.

(2) On request of another state or foreign country, the attorney general may commence an action on behalf of the other state or country to enforce, in this state, the law of the other state or country against a putative holder subject to a claim by the other state or country, if the other state or country agrees to pay costs incurred by the attorney general in the action.

(3) The administrator may request the official authorized to enforce the unclaimed property law of another state or foreign country to commence an action to recover property in the other state or country on behalf of the administrator. This state shall pay the costs, including reasonable attorneys' fees and expenses, incurred by the other state or foreign country in an action under this subsection.

(4) The administrator may pursue an action on behalf of this state to recover property subject to this chapter but delivered to the custody of another state if the administrator believes the property is subject to the custody of the administrator.

(5) The administrator may retain an attorney in this state, another state, or a foreign country to commence an action to recover property on behalf of the administrator and may agree to pay attorneys' fees based in whole or in part on a fixed fee, hourly fee, or a percentage of the amount or value of property recovered

in the action.

(6) Expenses incurred by this state in an action under this section may be paid from property received under this chapter or the net proceeds of the property. Expenses paid to recover property may not be deducted from the amount that is subject to a claim under this chapter by the owner.

PART 13

AGREEMENT TO LOCATE PROPERTY OF APPARENT OWNER HELD BY ADMINISTRATOR

NEW SECTION. Sec. 1301. WHEN AGREEMENT TO LOCATE PROPERTY ENFORCEABLE. An agreement by an apparent owner and another person, the primary purpose of which is to locate, deliver, recover, or assist in the location, delivery, or recovery of property held by the administrator, is enforceable only if the agreement:

(1) Is in a record that clearly states the nature of the property and the services to be provided;

(2) Is signed by or on behalf of the apparent owner; and

(3) States the amount or value of the property reasonably expected to be recovered, computed before and after a fee or other compensation to be paid to the person has been deducted.

NEW SECTION. Sec. 1302. WHEN AGREEMENT TO LOCATE PROPERTY VOID. (1) Subject to subsection (2) of this section, an agreement under section 1301 of this act is void if it is entered into during the period beginning on the date the property was paid or delivered by a holder to the administrator and ending 24 months after the payment or delivery.

(2) If a provision in an agreement described in subsection (1) of this section applies to mineral proceeds for which compensation is to be paid to the other person based in whole or in part on a part of the underlying minerals or mineral proceeds not then presumed abandoned, the provision is void regardless of when the agreement was entered into.

(3) An agreement under subsection (1) of this section which provides for compensation in an amount that is unconscionable is unenforceable except by the apparent owner. An apparent owner that believes the compensation the apparent owner has agreed to pay is unconscionable or the administrator, acting on behalf of an apparent owner, or both, may file an action in superior court to reduce the compensation to the maximum amount that is not unconscionable.

(4) An apparent owner or the administrator may assert that an agreement described in this section is void on a ground other than it provides for payment of unconscionable compensation.

(5) This section does not apply to an apparent owner's agreement with an attorney to pursue a claim for recovery of specifically identified property held by the administrator or to contest the administrator's denial of a claim for recovery of the property.

NEW SECTION. Sec. 1303. RIGHT OF AGENT OF APPARENT OWNER TO RECOVER PROPERTY HELD BY ADMINISTRATOR. (1) An apparent owner that contracts with another person to locate, deliver, recover, or assist in the location, delivery, or recovery of property of the apparent owner which is held by the administrator may designate the person as the agent of the apparent owner. The designation must be in a record signed by the apparent owner.

(2) The administrator shall give the agent of the apparent owner all information concerning the property which the apparent owner is entitled to receive, including information that otherwise is confidential information under section 1402 of this act.

(3) If authorized by the apparent owner, the agent of the apparent owner may bring an action against the administrator on behalf of and in the name of the apparent owner.

PART 14

CONFIDENTIALITY AND SECURITY OF

INFORMATION

NEW SECTION. Sec. 1401. DEFINITIONS—APPLICABILITY. (1) In this section and sections 1402 through 1408 of this act, "personal information" means:

(a) Information that identifies or reasonably can be used to identify an individual, such as first and last name in combination with the individual's:

(i) Social security number or other government-issued number or identifier;

(ii) Date of birth;

(iii) Home or physical address;

(iv) Email address or other online contact information or internet provider address;

(v) Financial account number or credit or debit card number;

(vi) Biometric data, health or medical data, or insurance information; or

(vii) Passwords or other credentials that permit access to an online or other account;

(b) Personally identifiable financial or insurance information, including nonpublic personal information defined by applicable federal law; and

(c) Any combination of data that, if accessed, disclosed, modified, or destroyed without authorization of the owner of the data or if lost or misused, would require notice or reporting under chapter 19.255 RCW and federal privacy and data security law, whether or not the administrator or the administrator's agent is subject to the law.

(2) A provision of this section or sections 1402 through 1408 of this act that applies to the administrator or the administrator's records applies to an administrator's agent.

NEW SECTION. Sec. 1402. CONFIDENTIAL INFORMATION. (1) Except as otherwise provided in this chapter, the following are confidential and exempt from public inspection or disclosure:

(a) Reports and records of a holder in the possession of the administrator or the administrator's agent; and

(b) Personal information and other information derived or otherwise obtained by or communicated to the administrator or the administrator's agent from an examination under this chapter of the records of a person.

(2) A record or other information that is confidential under law of this state other than this chapter, another state, or the United States continues to be confidential when disclosed or delivered under this chapter to the administrator or administrator's agent.

NEW SECTION. Sec. 1403. WHEN CONFIDENTIAL INFORMATION MAY BE DISCLOSED. (1) When reasonably necessary to enforce or implement this chapter, the administrator may disclose confidential information concerning property held by the administrator or the administrator's agent only to:

(a) An apparent owner or the apparent owner's personal representative, attorney, other legal representative, relative, or agent designated under section 1303 of this act to have the information;

(b) The personal representative, other legal representative, relative of a deceased apparent owner, agent designated under section 1303 of this act by the deceased apparent owner, or a person entitled to inherit from the deceased apparent owner;

(c) Another department or agency of this state or the United States;

(d) The person that administers the unclaimed property law of another state, if the other state accords substantially reciprocal privileges to the administrator of this state if the other state is required to maintain the confidentiality and security of information obtained in a manner substantially equivalent to this section and sections 1401, 1402, and 1404 through 1408 of this act; or

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(e) A person subject to an examination as required by section 1004(6) of this act.

(2) Except as otherwise provided in section 1402(1) of this act, the administrator shall include on the website or in the database required by section 503(3)(b) of this act the name of each apparent owner of property held by the administrator. The administrator may include in published notices, printed publications, telecommunications, the internet, or other media and on the website or in the database additional information concerning the apparent owner's property if the administrator believes the information will assist in identifying and returning property to the owner and does not disclose personal information except the home or physical address of an apparent owner.

(3) The administrator and the administrator's agent may not use confidential information provided to them or in their possession except as expressly authorized by this chapter or required by law other than this chapter.

NEW SECTION. Sec. 1404. CONFIDENTIALITY AGREEMENT. A person to be examined under section 1002 of this act may require, as a condition of disclosure of the records of the person to be examined, that each person having access to the records disclosed in the examination execute and deliver to the person to be examined a confidentiality agreement that:

(1) Is in a form that is reasonably satisfactory to the administrator; and

(2) Requires the person having access to the records to comply with the provisions of this section and sections 1401 through 1403 and 1405 through 1408 of this act applicable to the person.

NEW SECTION. Sec. 1405. NO CONFIDENTIAL INFORMATION IN NOTICE. Except as otherwise provided in sections 501 and 502 of this act, a holder is not required under this chapter to include confidential information in a notice the holder is required to provide to an apparent owner under this chapter.

NEW SECTION. Sec. 1406. SECURITY OF INFORMATION. (1) If a holder is required to include confidential information in a report to the administrator, the information must be provided by a secure means.

(2) If confidential information in a record is provided to and maintained by the administrator or administrator's agent as required by this chapter, the administrator or agent shall:

(a) Implement administrative, technical, and physical safeguards to protect the security, confidentiality, and integrity of the information required by chapter 19.255 RCW and federal privacy and data security law whether or not the administrator or the administrator's agent is subject to the law;

(b) Protect against reasonably anticipated threats or hazards to the security, confidentiality, or integrity of the information; and

(c) Protect against unauthorized access to or use of the information which could result in substantial harm or inconvenience to a holder or the holder's customers, including insureds, annuitants, and policy or contract owners and their beneficiaries.

(3) The administrator:

(a) After notice and comment, shall adopt and implement a security plan that identifies and assesses reasonably foreseeable internal and external risks to confidential information in the administrator's possession and seeks to mitigate the risks; and

(b) Shall ensure that an administrator's agent adopts and implements a similar plan with respect to confidential information in the agent's possession.

(4) The administrator and the administrator's agent shall educate and train their employees regarding the plan adopted under subsection (3) of this section.

(5) The administrator and the administrator's agent shall in a

secure manner return or destroy all confidential information no longer reasonably needed under this chapter.

NEW SECTION. Sec. 1407. SECURITY BREACH. (1) Except to the extent prohibited by law other than this chapter, the administrator or administrator's agent shall notify a holder as soon as practicable of:

(a) A suspected loss, misuse, or unauthorized access, disclosure, modification, or destruction of confidential information obtained from the holder in the possession of the administrator or an administrator's agent; and

(b) Any interference with operations in any system hosting or housing confidential information which:

(i) Compromises the security, confidentiality, or integrity of the information; or

(ii) Creates a substantial risk of identity fraud or theft.

(2) Except as necessary to inform an insurer, attorney, investigator, or others as required by law, the administrator and an administrator's agent may not disclose, without the express consent in a record of the holder, an event described in subsection (1) of this section to a person whose confidential information was supplied by the holder.

(3) If an event described in subsection (1) of this section occurs, the administrator and the administrator's agent shall:

(a) Take action necessary for the holder to understand and minimize the effect of the event and determine its scope; and

(b) Cooperate with the holder with respect to:

(i) Any notification required by law concerning a data or other security breach; and

(ii) A regulatory inquiry, litigation, or similar action.

NEW SECTION. Sec. 1408. INDEMNIFICATION FOR BREACH. (1) If a claim is made or action commenced arising out of an event described in section 1407(1) of this act relating to confidential information possessed by the administrator, this state shall indemnify, defend, and hold harmless a holder and the holder's affiliates, officers, directors, employees, and agents as to:

(a) Any claim or action; and

(b) A liability, obligation, loss, damage, cost, fee, penalty, fine, settlement, charge, or other expense, including reasonable attorneys' fees and costs, established by the claim or action.

(2) If a claim is made or action commenced arising out of an event described in section 1407(1) of this act relating to confidential information possessed by an administrator's agent, the administrator's agent shall indemnify, defend, and hold harmless a holder and the holder's affiliates, officers, directors, employees, and agents as to:

(a) Any claim or action; and

(b) A liability, obligation, loss, damage, cost, fee, penalty, fine, settlement, charge, or other expense, including reasonable attorneys' fees and costs, established by the claim or action.

(3) The administrator shall require an administrator's agent that will receive confidential information required under this chapter to maintain adequate insurance for indemnification obligations of the administrator's agent under subsection (2) of this section. The agent required to maintain the insurance shall provide evidence of the insurance to:

(a) The administrator not less frequently than annually; and

(b) The holder on commencement of an examination and annually thereafter until all confidential information is returned or destroyed under section 1406(5) of this act.

PART 15

MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 1501. UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing this uniform chapter and this act, consideration must be given to the need to promote uniformity of the law with respect

to its subject matter among states that enact it.

NEW SECTION. Sec. 1502. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. This chapter modifies, limits, or supersedes the electronic signatures in global and national commerce act, 15 U.S.C. Sec. 7001 et seq., but does not modify, limit, or supersede section 101(c) of that act, 15 U.S.C. Sec. 7001(c), or authorize electronic delivery of any of the notices described in section 103(b) of that act, 15 U.S.C. Sec. 7003(b).

NEW SECTION. Sec. 1503. TRANSITIONAL PROVISION. (1) An initial report filed under this chapter for property that was not required to be reported before the effective date of this section, but that is required to be reported under this chapter, must include all items of property that would have been presumed abandoned during the six-year period preceding the effective date of this section as if this chapter had been in effect during that period.

(2) This chapter does not relieve a holder of a duty that arose before the effective date of this section to report, pay, or deliver property. Subject to section 610 (2) and (3) of this act, a holder that did not comply with the law governing unclaimed property before the effective date of this section is subject to applicable provisions for enforcement and penalties in effect before the effective date of this section.

NEW SECTION. Sec. 1504. SEVERABILITY. 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. 1505. REPEALS. The following acts or parts of acts are each repealed:

(1)RCW 63.29.010 (Definitions and use of terms) and 2012 c 117 s 177, 2005 c 285 s 1, 2004 c 168 s 13, & 1983 c 179 s 1;

(2)RCW 63.29.020 (Property presumed abandoned—General rule—Exceptions) and 2015 3rd sp.s. c 6 s 2101, 2011 c 116 s 1, & 2010 c 29 s 1;

(3)RCW 63.29.030 (General rules for taking custody of intangible unclaimed property) and 1983 c 179 s 3;

(4)RCW 63.29.040 (Travelers checks and money orders) and 1983 c 179 s 4;

(5)RCW 63.29.050 (Checks, drafts, and similar instruments issued or certified by banking and financial organizations) and 2003 1st sp.s. c 13 s 2 & 1983 c 179 s 5;

(6)RCW 63.29.060 (Bank deposits and funds in financial organizations) and 2003 1st sp.s. c 13 s 3 & 1983 c 179 s 6;

(7)RCW 63.29.070 (Funds owing under life insurance policies) and 2012 c 117 s 178, 2003 1st sp.s. c 13 s 4, & 1983 c 179 s 7;

(8)RCW 63.29.080 (Deposits held by utilities) and 1983 c 179 s 8;

(9)RCW 63.29.090 (Refunds held by business associations) and 1983 c 179 s 9;

(10)RCW 63.29.100 (Stock and other intangible interests in business associations) and 2003 1st sp.s. c 13 s 5, 1996 c 45 s 1, & 1983 c 179 s 10;

(11)RCW 63.29.110 (Property of business associations held in course of dissolution) and 1983 c 179 s 11;

(12)RCW 63.29.120 (Property held by agents and fiduciaries) and 2012 c 117 s 179, 2003 1st sp.s. c 13 s 6, & 1983 c 179 s 12;

(13)RCW 63.29.130 (Property held by courts and public agencies—When abandoned—Overpayments) and 2007 c 183 s 1, 1993 c 498 s 2, & 1983 c 179 s 13;

(14)RCW 63.29.133 (Property held by landlord) and 1992 c 38 s 9;

(15)RCW 63.29.135 (Abandoned intangible property held by local government) and 1990 2nd ex.s. c 1 s 301;

(16)RCW 63.29.140 (Gift certificates and credit memos) and

2015 3rd sp.s. c 6 s 2102, 2004 c 168 s 15, 2003 1st sp.s. c 13 s 7, & 1983 c 179 s 14;

(17)RCW 63.29.150 (Wages) and 1983 c 179 s 15;

(18)RCW 63.29.160 (Contents of safe deposit box or other safekeeping repository) and 1983 c 179 s 16;

(19)RCW 63.29.165 (Property in self-storage facility) and 1993 c 498 s 4 & 1988 c 240 s 21;

(20)RCW 63.29.170 (Report of abandoned property) and 2015 3rd sp.s. c 6 s 2103, 2004 c 168 s 16, 2003 c 237 s 1, 1996 c 45 s 2, 1993 c 498 s 7, & 1983 c 179 s 17;

(21)RCW 63.29.180 (Notice and publication of information about unclaimed property) and 2015 3rd sp.s. c 6 s 2104, 2005 c 367 s 2, 2003 c 237 s 2, 1993 c 498 s 9, 1986 c 84 s 1, & 1983 c 179 s 18;

(22)RCW 63.29.190 (Payment or delivery of abandoned property) and 2015 3rd sp.s. c 6 s 2105;

(23)RCW 63.29.192 (Penalty and interest paid in excess—Refunds—Returns) and 2015 3rd sp.s. c 6 s 2110;

(24)RCW 63.29.193 (Petition for review—Denied application for refund or return) and 2015 3rd sp.s. c 6 s 2111;

(25)RCW 63.29.194 (Appeal of payment or delivered property) and 2015 3rd sp.s. c 6 s 2112;

(26)RCW 63.29.195 (Agreement—Established between a holder and the department) and 2015 3rd sp.s. c 6 s 2113;

(27)RCW 63.29.200 (Custody by state—Holder relieved from liability—Reimbursement of holder paying claim—Reclaiming for owner—Defense of holder—Payment of safe deposit box or repository charges) and 2012 c 117 s 180 & 1983 c 179 s 20;

(28)RCW 63.29.210 (Crediting of dividends, interest, or increments to owner's account) and 1983 c 179 s 21;

(29)RCW 63.29.220 (Public sale of abandoned property) and 2011 2nd sp.s. c 8 s 1, 2005 c 367 s 4, 1996 c 45 s 3, 1993 c 498 s 10, & 1983 c 179 s 22;

(30)RCW 63.29.230 (Deposit of funds) and 1983 c 179 s 23;

(31)RCW 63.29.240 (Filing of claim with department) and 2011 2nd sp.s. c 8 s 2 & 1983 c 179 s 24;

(32)RCW 63.29.250 (Claim of another state to recover property—Procedure) and 1983 c 179 s 25;

(33)RCW 63.29.260 (Action to establish claim) and 1983 c 179 s 26;

(34)RCW 63.29.270 (Election to take payment or delivery) and 1983 c 179 s 27;

(35)RCW 63.29.280 (Destruction or disposition of property having insubstantial commercial value—Immunity from liability) and 2005 c 367 s 5 & 1983 c 179 s 28;

(36)RCW 63.29.290 (Periods of limitation) and 2015 3rd sp.s. c 6 s 2106 & 1983 c 179 s 29;

(37)RCW 63.29.300 (Requests for reports and examination of records) and 2015 3rd sp.s. c 6 s 2107 & 1983 c 179 s 30;

(38)RCW 63.29.310 (Retention of records) and 1983 c 179 s 31;

(39)RCW 63.29.320 (Enforcement) and 1983 c 179 s 32;

(40)RCW 63.29.330 (Interstate agreements and cooperation—Joint and reciprocal actions with other states) and 1983 c 179 s 33;

(41)RCW 63.29.340 (Interest and penalties) and 2015 3rd sp.s. c 6 s 2108 & 2011 c 96 s 45;

(42)RCW 63.29.350 (Penalty for excessive fee for locating abandoned property—Consumer protection act application) and 2012 c 117 s 181, 2010 c 29 s 2, & 1983 c 179 s 35;

(43)RCW 63.29.360 (Foreign transactions) and 1983 c 179 s 36;

(44)RCW 63.29.370 (Rules) and 1983 c 179 s 38;

(45)RCW 63.29.380 (Information and records confidential) and 1983 c 179 s 39;

(46)RCW 63.29.900 (Effect of new provisions—Clarification

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of application) and 1983 c 179 s 37;

MESSAGE FROM THE HOUSE

(47)RCW 63.29.902 (Uniformity of application and construction) and 1983 c 179 s 41;

March 8, 2022

(48)RCW 63.29.903 (Short title) and 1983 c 179 s 42;

MR. PRESIDENT:

(49)RCW 63.29.905 (Effective date—1983 c 179) and 1983 c 179 s 47; and

The House passed SUBSTITUTE SENATE BILL NO. 5488 with the following amendment(s): 5488-S AMH TR H2981.1

(50)RCW 63.29.906 (Effective date—1996 c 45) and 1996 c 45 s 5.

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1506. CODIFICATION. Sections 101 through 1503 and 1507 of this act constitute a new chapter in Title 63 RCW.

"**Sec. 1.** RCW 47.56.165 and 2009 c 567 s 1 are each amended to read as follows:

NEW SECTION. Sec. 1507. EFFECTIVE DATE. This act takes effect January 1, 2023.

A special account to be known as the Tacoma Narrows toll bridge account is created in the motor vehicle fund in the state treasury.

NEW SECTION. Sec. 1508. SEVERABILITY. 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."

(1) Deposits to the account must include:

Correct the title.

(a) All proceeds of bonds issued for construction of the Tacoma Narrows public-private initiative project, including any capitalized interest;

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Pedersen moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5531.

(b) All of the toll charges and other revenues received from the operation of the Tacoma Narrows bridge as a toll facility, to be deposited at least monthly;

(c) Any interest that may be earned from the deposit or investment of those revenues;

(d) Notwithstanding RCW 47.12.063, proceeds from the sale of any surplus real property acquired for the purpose of building the second Tacoma Narrows bridge; ~~((and))~~

(e) All liquidated damages collected under any contract involving the construction of the second Tacoma Narrows bridge; and

(f) Beginning with September 2022 and ending July 1, 2032, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the general fund to the account the sum of \$3,250,000. The total amount that may be transferred pursuant to this subsection is \$130,000,000.

Senators Pedersen and Wilson, L. spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Pedersen that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5531.

(2) Proceeds of bonds shall be used consistent with RCW 47.46.130, including the reimbursement of expenses and fees incurred under agreements entered into under RCW 47.46.040 as required by those agreements.

The motion by Senator Pedersen carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5531 by voice vote.

(3) Toll charges, other revenues, and interest may only be used to:

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5531, as amended by the House.

(a) Pay required costs that contribute directly to the financing, operation, maintenance, management, and necessary repairs of the tolled facility, as determined by rule by the transportation commission; and

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5531, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

(b) Repay amounts to the motor vehicle fund as required under RCW 47.46.140.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

(4) Toll charges, other revenues, and interest may not be used to pay for costs that do not contribute directly to the financing, operation, maintenance, management, and necessary repairs of the tolled facility, as determined by rule by the transportation commission.

(5) The department shall make detailed quarterly expenditure reports available to the transportation commission and to the public on the department's website using current department resources.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5531, 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.

(6) When repaying the motor vehicle fund under RCW 47.46.140, the state treasurer shall transfer funds from the Tacoma Narrows toll bridge account to the motor vehicle fund on or before each debt service date for bonds issued for the Tacoma Narrows public-private initiative project in an amount sufficient to repay the motor vehicle fund for amounts transferred from that fund to the highway bond retirement fund to provide for any bond principal and interest due on that date. The state treasurer may establish subaccounts for the purpose of segregating toll charges, bond sale proceeds, and other revenues.

Sec. 2. RCW 47.46.190 and 2018 c 195 s 1 are each amended

to read as follows:

(1) The legislature finds funding of the Tacoma Narrows bridge facility to be distinct from other Washington state tolling facilities due to its increasing debt service costs, which is the primary driver of the facility's escalating costs. Washington state has since recommended and established financing structures with steadier levels of debt service payments for subsequent tolled transportation facilities, supporting better management of the state's debt burden and a lower financial burden for toll ratepayers.

(2) The Tacoma Narrows bridge facility debt service structure resulted, in part, from a decision by the legislature to fund construction of the bridge without drawing from state tax dollars. As a result, toll revenue was committed to fund ~~((ninety-nine))~~ 99 percent of bridge construction costs, as well as the associated interest payments and other associated debt service costs. This is not the standard more recently utilized by the legislature, as is the case of the state route 520 bridge's construction, ~~((seventy-two))~~ 72 percent of which is to be paid for with toll revenues. In light of the maximum burden for bridge construction that was placed on Tacoma Narrows bridge toll ratepayers, there is no equitable reason that the burden of future debt service payment increases should be borne by these same toll ratepayers.

(3) The legislature established the Tacoma Narrows bridge work group in 2017 and tasked it with identifying opportunities for long-term toll payer relief from increasing toll rates on the Tacoma Narrows bridge. The work group recommended a request of up to ~~((one hundred twenty five million dollars))~~ \$125,000,000 in state funding from the legislature to offset future debt service payment increases, allocated across the remaining years of tolling at levels that result in maintaining toll rates at fiscal year 2018 levels.

(4) Due to the findings aforementioned, an alternative is put forward by the legislature. State contribution loans for each fiscal biennium are to be made through the life of the debt service plan of up to a total of ~~((eighty five million dollars))~~ \$85,000,000, and will be repaid in annual amounts beginning after the debt service and deferred sales tax are fully repaid. It is the intent of the legislature that the commission will(=

~~(a) Maintain tolls at no more than toll rates effective at the fiscal year 2018 level until fiscal year 2022; and~~

~~(b) Maintain tolls at no more than twenty five cents higher than the toll rates effective at the fiscal year 2018 level beginning in fiscal year 2022))~~ adjust tolls accordingly, in consideration of annual contributions from nontoll sources and the costs required to be covered under RCW 47.46.100, until such time as the debt service and deferred sales tax obligation is fully met according to the repayment schedule in place as of June 7, 2018, and until any state contribution loans are fully repaid.

(5) To offset part of the toll rate increases that would otherwise be necessary to meet increases in future debt service payments, it is the intent of the legislature that the state treasurer make state contribution loan transfers to the Tacoma Narrows toll bridge account created in RCW 47.56.165 on the first day of each fiscal biennium, beginning in the 2019-2021 fiscal biennium, through the life of the debt service plan. It is the intent of the legislature that the state treasurer make state contribution loan transfers in amounts necessary to ensure debt service payments are made in full after toll revenue from the Tacoma Narrows bridge toll facility is applied to the debt payment amounts and other required costs.

(6) This section does not create a private right of action.

Sec. 3. RCW 47.46.200 and 2018 c 195 s 2 are each amended to read as follows:

(1) Through 2031, the commission shall submit to the transportation committees of the legislature on an annual basis a

report that includes sufficient information to enable the legislature to determine an adequate amount of contribution from nontoll sources required for each fiscal biennium to maintain ~~((tolls at no more than twenty five cents higher than the toll rates effective at the fiscal year 2018 level, while also maintaining))~~ the debt service plan repayment schedule in place as of June 7, 2018. The report must be submitted by January 5th of each year.

(2) Beginning in 2031, and until such time as the state contribution loans described in RCW 47.46.190(4) are repaid, the commission shall submit to the transportation committees of the legislature on an annual basis a report that includes information detailing the annual expected toll revenue to be used for repayment of the state contribution loans ~~((while maintaining tolls at no more than twenty five cents higher than the toll rates effective at the fiscal year 2018 level))~~. The report must be submitted by January 5th of each year.

(3) This section does not create a private right of action."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Randall moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5488.

Senators Randall and King spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Randall that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5488.

The motion by Senator Randall carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5488 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5488, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5488, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 28; Nays, 21; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Carlyle, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5488, 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

March 9, 2022

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5755 with the following amendment(s):

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

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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.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Trudeau moved that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 5755.

Senator Trudeau spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Trudeau that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 5755.

The motion by Senator Trudeau carried and the Senate concurred in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 5755 by voice vote.

MOTION

On motion of Senator Wilson, C., Senator Randall was excused.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5755, as amended by the House.

ROLL CALL

The Secretary 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 Senate by the following vote: Yeas, 27; Nays, 21; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña,

Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hasegawa, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Excused: Senator Randall

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5755, 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

March 9, 2022

MR. PRESIDENT:

The House passed ENGROSSED SENATE BILL NO. 5901 with the following amendment(s): 5901.E AMH FIN H2992.1

Strike everything after the enacting clause and insert the following:

**"PART I
CREATING A SALES AND USE TAX DEFERRAL
PROGRAM TO INCENTIVIZE MANUFACTURING AND
RESEARCH AND DEVELOPMENT ACTIVITIES IN
CERTAIN DESIGNATED COUNTIES**

NEW SECTION. Sec. 101. (1) The legislature finds that there are counties in the state that face additional economic development challenges beyond the challenges faced by counties located in the central Puget Sound region. The legislature further finds that these regions do not experience the same degree of job growth and investment. The legislature further finds that, in some areas, increased economic development incentives are needed to help support economic growth and that a one-size-fits-all approach to economic development does not work for the diversity of the statewide economy. For these reasons, the legislature intends to establish a tax deferral program to be effective solely in certain targeted counties. The legislature declares that this limited program serves the vital public purpose of creating employment opportunities and generally spurring economic development in these counties of the state.

(2) The legislature also finds that this act is consistent with the Substitute House Bill No. 1170, the Washington BEST manufacturing act, enacted in 2021. The 2021 Washington BEST manufacturing act recognized that the state must retain and build on its leadership in the manufacturing and research and development sectors and also recognized that a thriving manufacturing and research sector are complimentary and should be promoted in every region of the state. Therefore, the legislature further finds the sales and use tax deferral program for manufacturing and research and development in this act is a critical tool and strategy to help achieve the goals expressed in the Washington BEST manufacturing act of doubling the state's manufacturing employment base, the number of small businesses, and the number of women and minority-owned manufacturing businesses in the next 10 years.

NEW SECTION. Sec. 102. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Applicant" means a person applying for a tax deferral under this chapter.

(2) "Department" means the department of revenue.

(3) "Eligible area" means a qualifying county.

(4)(a) "Eligible investment project" means an investment

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project that is located, as of the date the application required by section 103 of this act is received by the department, in an eligible area as defined in subsection (3) of this section.

(b) "Eligible investment project" does not include any portion of an investment project undertaken by a light and power business as defined in RCW 82.16.010(4), other than that portion of a cogeneration project that is used to generate power for consumption within the manufacturing site of which the cogeneration project is an integral part, or investment projects that have already received deferrals under this chapter.

(5)(a) "Initiation of construction" means the date that a building permit is issued under the building code adopted under RCW 19.27.031 for:

(i) Construction of the qualified building, if the underlying ownership of the building vests exclusively with the person receiving the economic benefit of the deferral;

(ii) Construction of the qualified building, if the economic benefits of the deferral are passed to a lessee as provided in RCW 82.60.025; or

(iii) Tenant improvements for a qualified building, if the economic benefits of the deferral are passed to a lessee as provided in RCW 82.60.025.

(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 eligible investment project is a phased project, "initiation of construction" applies separately to each phase.

(6) "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project.

(7) "Manufacturing" means the same as defined in RCW 82.04.120. "Manufacturing" also includes:

(a) The activities performed by research and development laboratories and commercial testing laboratories; and

(b) The conditioning of vegetable seeds.

(8) "Meaningful construction" means an active construction site, where excavation of a building site, laying of a building foundation, or other tangible signs of construction are taking place and that clearly show a progression in the construction process at the location designated by the taxpayer in the application for deferral. Planning, permitting, or land clearing before excavation of the building site, without more, does not constitute "meaningful construction."

(9) "Person" has the meaning given in RCW 82.04.030.

(10) "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity used for manufacturing or research and development activities, including plant offices and warehouses or other facilities for the storage of raw material or finished goods if such facilities are an essential or an integral part of a factory, mill, plant, or laboratory used for manufacturing or research and development. If a building is used partly for manufacturing or research and development and partly for other purposes, the applicable tax deferral must be determined by apportionment of the costs of construction under rules adopted by the department.

(11) "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing or research and development operation. "Qualified machinery and equipment" includes: Computers; software; data processing equipment; laboratory equipment; manufacturing components such as belts, pulleys, shafts, and moving parts; molds, tools, and

dies; operating structures; and all equipment used to control or operate the machinery.

(12) "Qualifying county" means a county that has a population less than 650,000 at the time an application is submitted under section 103 of this act.

(13) "Recipient" means a person receiving a tax deferral under this chapter.

(14) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun, but only when such activities are intended to ultimately result in the production of a new, different, or useful substance or article of tangible personal property for sale. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed \$1,000,000.

NEW SECTION. Sec. 103. (1) Application for deferral of taxes under this chapter must be made before initiation of the construction of the investment project or acquisition of equipment or machinery. The application must be made to the department in a form and manner prescribed by the department. The application must contain information regarding the location of the investment project, the applicant's average employment in the state for the prior year, estimated or actual new employment related to the project, estimated or actual wages of employees related to the project, estimated or actual costs, time schedules for completion and operation, and other information required by the department. The department must rule on the application within 60 days.

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

(3) This section expires July 1, 2032.

NEW SECTION. Sec. 104. (1) 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 deferrals granted under this chapter during each fiscal biennium. The amount of state and local sales and use taxes eligible for deferral under this chapter is limited to \$400,000 per person.

(3) This section expires July 1, 2032.

NEW SECTION. Sec. 105. (1) The recipient of a deferral certificate under section 104 of this act must begin meaningful construction on an eligible investment project within two years of receiving a deferral certificate, unless construction was delayed due to circumstances beyond the recipient's control. Lack of funding is not considered a circumstance beyond the recipient's control.

(2) If the recipient does not begin meaningful construction on an eligible investment project within two years of receiving a deferral certificate, the deferral certificate issued under section 104 of this act is invalid and taxes deferred under this chapter are due immediately.

NEW SECTION. Sec. 106. (1)(a) Each recipient of a deferral of taxes granted under this chapter must file a complete annual tax performance report with the department under RCW 82.32.534 during the period covered by the schedule under subsection (2) of this section. If the economic benefits of the deferral are passed to a lessee as provided in section 108 of this act, the lessee must file a complete annual tax performance report, and the applicant is not required to file a complete annual tax performance report.

(b) The joint legislative audit and review committee, as part of its tax preference review process under chapter 43.136 RCW, must use the information reported on the annual tax performance report required by this section to study the tax deferral program

authorized under this chapter. The committee must report to the legislature by December 1, 2030. The report must measure the effect of the program on job creation, the number of jobs created for residents of eligible areas, company growth, and such other factors as the committee selects.

(2)(a) Except as otherwise provided in this chapter, taxes deferred under this chapter need not be repaid.

(b) If the investment project is not operationally complete within five calendar years from the issuance of the tax deferral certificate, or if, on the basis of the tax performance report under RCW 82.32.534 or other information, the department finds that an investment project is used for purposes other than a qualified manufacturing or research and development operation at any time during the calendar year in which the investment project is certified by the department as having been operationally completed, or at any time during any of the seven succeeding calendar years, a portion of deferred taxes is immediately due according to the following schedule:

Year in which use occurs	% of deferred taxes due
1	100%
2	87.5%
3	75%
4	62.5%
5	50%
6	37.5%
7	25%
8	12.5%

(c) If the economic benefits of the deferral are passed to a lessee as provided in section 108 of this act, the lessee is responsible for payment to the extent the lessee has received the economic benefit.

(3) A recipient who must repay deferred taxes under this section because the department has found that an investment project is not eligible for tax deferral under this chapter is no longer required to file annual tax performance reports under RCW 82.32.534 beginning on the date an investment project is used for nonqualifying purposes.

(4) The department must assess interest at the rate provided for delinquent taxes, but not penalties, retroactively to the date of deferral for a recipient who must repay deferred taxes under this section because the department has found that an investment project is not eligible for tax deferral. The debt for deferred taxes will not be extinguished by insolvency or other failure of the recipient. Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of this chapter, for the remaining periods of the deferral.

(5) Notwithstanding any other provision of this section or RCW 82.32.534, deferred taxes on the following need not be repaid:

(a) Machinery and equipment, and sales of or charges made for labor and services, which at the time of purchase would have qualified for exemption under RCW 82.08.02565; and

(b) Machinery and equipment which at the time of first use would have qualified for exemption under RCW 82.12.02565.

NEW SECTION. Sec. 107. The department must establish a list of qualifying counties, effective July 1, 2022. The list of qualifying counties is effective for a 24-month period and must be updated by July 1st of the year that is two calendar years after the list was established or last updated, as the case may be.

NEW SECTION. Sec. 108. The lessor or owner of a qualified building is not eligible for a deferral unless:

(1) The underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person; or

(2)(a) The lessor by written contract agrees to pass the economic benefit of the deferral to the lessee;

(b) The lessee that receives the economic benefit of the deferral agrees in writing with the department to complete the annual tax performance report required under section 106 of this act; and

(c) The economic benefit of the deferral passed to the lessee is no less than the amount of tax deferred by the lessor and is evidenced by written documentation of any type of payment, credit, or other financial arrangement between the lessor or owner of the qualified building and the lessee.

NEW SECTION. Sec. 109. Chapter 82.32 RCW applies to the administration of this chapter.

NEW SECTION. Sec. 110. Applications, reports, and any other information received by the department under this chapter, except applications not approved by the department, are not confidential and are subject to disclosure.

PART II

MODIFYING THE SALES AND USE TAX EXEMPTION FOR WAREHOUSES, DISTRIBUTION CENTERS, AND GRAIN ELEVATORS

Sec. 201. RCW 82.08.820 and 2014 c 140 s 23 are each amended to read as follows:

(1) Wholesalers or third-party warehouse owners who own or operate warehouses or grain elevators and retailers who own or operate distribution centers, and who have paid the tax levied by RCW 82.08.020 on:

(a) Material-handling and racking equipment, and labor and services rendered in respect to installing, repairing, cleaning, altering, or improving the equipment; or

(b) Construction of a warehouse or grain elevator, including materials, and including service and labor costs, are eligible for an exemption in the form of a remittance. The amount of the remittance is computed under subsection (3) of this section and is based on the state share of sales tax.

(2) For purposes of this section and RCW 82.12.820:

(a) "Agricultural products" has the meaning given in RCW 82.04.213;

(b)(i) "Construction" means the actual construction of a warehouse or grain elevator that did not exist before the construction began. (~~"Construction"~~) Except as provided in (b)(ii) of this subsection, "construction" includes expansion if the expansion adds at least two hundred thousand square feet of additional space to an existing warehouse or additional storage capacity of at least one million bushels to an existing grain elevator. "Construction" does not include renovation, remodeling, or repair;

(ii) For an existing warehouse located in a qualifying county, "construction" includes expansion if the expansion adds at least 100,000 square feet of additional space to an existing warehouse;

(c) "Department" means the department of revenue;

(d) "Distribution center" means a warehouse that is used exclusively by a retailer solely for the storage and distribution of finished goods to retail outlets of the retailer. "Distribution center" does not include a warehouse at which retail sales occur;

(e) "Finished goods" means tangible personal property intended for sale by a retailer or wholesaler. "Finished goods" does not include:

(i) Agricultural products stored by wholesalers, third-party warehouses, or retailers if the storage takes place on the land of the person who produced the agricultural product;

(ii) Logs, minerals, petroleum, gas, or other extracted products stored as raw materials or in bulk; or

(iii) Marijuana, useable marijuana, or marijuana-infused products;

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(f) "Grain elevator" means a structure used for storage and handling of grain in bulk;

(g) "Material-handling equipment and racking equipment" means equipment in a warehouse or grain elevator that is primarily used to handle, store, organize, convey, package, or repackage finished goods. The term includes tangible personal property with a useful life of one year or more that becomes an ingredient or component of the equipment, including repair and replacement parts. The term does not include equipment in offices, lunchrooms, restrooms, and other like space, within a warehouse or grain elevator, or equipment used for nonwarehousing purposes. "Material-handling equipment" includes but is not limited to: Conveyers, carousels, lifts, positioners, pick-up-and-place units, cranes, hoists, mechanical arms, and robots; mechanized systems, including containers that are an integral part of the system, whose purpose is to lift or move tangible personal property; and automated handling, storage, and retrieval systems, including computers that control them, whose purpose is to lift or move tangible personal property; and forklifts and other off-the-road vehicles that are used to lift or move tangible personal property and that cannot be operated legally on roads and streets. "Racking equipment" includes, but is not limited to, conveying systems, chutes, shelves, racks, bins, drawers, pallets, and other containers and storage devices that form a necessary part of the storage system;

(h) "Person" has the meaning given in RCW 82.04.030;

(i) "Retailer" means a person who makes "sales at retail" as defined in chapter 82.04 RCW of tangible personal property;

(j) "Square footage" means the product of the two horizontal dimensions of each floor of a specific warehouse. The entire footprint of the warehouse must be measured in calculating the square footage, including space that juts out from the building profile such as loading docks. "Square footage" does not mean the aggregate of the square footage of more than one warehouse at a location or the aggregate of the square footage of warehouses at more than one location;

(k) "Third-party warehouse" means a person taxable under RCW 82.04.280(1)(d);

(l) "Qualifying county" means a county that has a population less than 650,000 at the time an application is submitted under this section and RCW 82.12.820;

(m) "Warehouse" means an enclosed building or structure in which finished goods are stored. A warehouse building or structure may have more than one storage room and more than one floor. Office space, lunchrooms, restrooms, and other space within the warehouse and necessary for the operation of the warehouse are considered part of the warehouse as are loading docks and other such space attached to the building and used for handling of finished goods. Landscaping and parking lots are not considered part of the warehouse. A storage yard is not a warehouse, nor is a building in which manufacturing takes place; and

~~((m))~~ (n) "Wholesaler" means a person who makes "sales at wholesale" as defined in chapter 82.04 RCW of tangible personal property, but "wholesaler" does not include a person who makes sales exempt under RCW 82.04.330.

(3)(a) A person claiming an exemption from state tax in the form of a remittance under this section must pay the tax imposed by RCW 82.08.020. The buyer may then apply to the department for remittance of all or part of the tax paid under RCW 82.08.020. For grain elevators with bushel capacity of one million but less than two million, the remittance is equal to fifty percent of the amount of tax paid. ~~((F))~~ Except as provided under (d) of this subsection, for warehouses with square footage of two hundred thousand or more and for grain elevators with bushel capacity of

two million or more, the remittance is equal to one hundred percent of the amount of tax paid for qualifying construction, materials, service, and labor, and fifty percent of the amount of tax paid for qualifying material-handling equipment and racking equipment, and labor and services rendered in respect to installing, repairing, cleaning, altering, or improving the equipment. The maximum amount of tax that may be remitted under this section and RCW 82.12.820 for the construction or expansion of a warehouse or grain elevator is \$400,000.

(b) The department must determine eligibility under this section based on information provided by the buyer and through audit and other administrative records. The buyer must on a quarterly basis submit an information sheet, in a form and manner as required by the department by rule, specifying the amount of exempted tax claimed and the qualifying purchases or acquisitions for which the exemption is claimed. The buyer must retain, in adequate detail to enable the department to determine whether the equipment or construction meets the criteria under this section: Invoices; proof of tax paid; documents describing the material-handling equipment and racking equipment; location and size of warehouses and grain elevators; and construction invoices and documents.

(c) The department must on a quarterly basis remit exempted amounts to qualifying persons who submitted applications during the previous quarter.

(d) For warehouses located in a qualifying county, the square footage requirement is 100,000 square feet or more.

(4) Warehouses, grain elevators, and material-handling equipment and racking equipment for which an exemption, credit, or deferral has been or is being received under chapter 82.60, 82.62, or 82.63 RCW or RCW 82.08.02565 or 82.12.02565 are not eligible for any remittance under this section. Warehouses and grain elevators upon which construction was initiated before May 20, 1997, are not eligible for a remittance under this section.

(5) The lessor or owner of a warehouse or grain elevator is not eligible for a remittance under this section unless the underlying ownership of the warehouse or grain elevator and the material-handling equipment and racking equipment vests exclusively in the same person, or unless the lessor by written contract agrees to pass the economic benefit of the remittance to the lessee in the form of reduced rent payments.

(6) This section expires July 1, 2032.

Sec. 202. RCW 82.12.820 and 2006 c 354 s 13 are each amended to read as follows:

(1) Wholesalers or third-party warehouse owners who own or operate warehouses or grain elevators, and retailers who own or operate distribution centers, and who have paid the tax levied under RCW 82.12.020 on:

(a) Material-handling equipment and racking equipment and labor and services rendered in respect to installing, repairing, cleaning, altering, or improving the equipment; or

(b) Materials incorporated in the construction of a warehouse or grain elevator, are eligible for an exemption on tax paid in the form of a remittance or credit against tax owed. The amount of the remittance or credit is computed under subsection (2) of this section and is based on the state share of use tax.

(2)(a) A person claiming an exemption from state tax in the form of a remittance under this section must pay the tax imposed by RCW 82.12.020 to the department. The person may then apply to the department for remittance of all or part of the tax paid under RCW 82.12.020. For grain elevators with bushel capacity of one million but less than two million, the remittance is equal to fifty percent of the amount of tax paid. ~~((F))~~ Except as provided under (d) of this subsection, for warehouses with square footage of two hundred thousand or more and for grain elevators with

bushel capacity of two million or more, the remittance is equal to one hundred percent of the amount of tax paid for qualifying construction materials, and fifty percent of the amount of tax paid for qualifying material-handling equipment and racking equipment. The maximum amount of tax that may be remitted under this section and RCW 82.08.820 for the construction or expansion of a warehouse or grain elevator is \$400,000.

(b) The department shall determine eligibility under this section based on information provided by the buyer and through audit and other administrative records. The buyer shall on a quarterly basis submit an information sheet, in a form and manner as required by the department by rule, specifying the amount of exempted tax claimed and the qualifying purchases or acquisitions for which the exemption is claimed. The buyer shall retain, in adequate detail to enable the department to determine whether the equipment or construction meets the criteria under this section: Invoices; proof of tax paid; documents describing the material-handling equipment and racking equipment; location and size of warehouses, if applicable; and construction invoices and documents.

(c) The department shall on a quarterly basis remit or credit exempted amounts to qualifying persons who submitted applications during the previous quarter.

(d) For warehouses located in a qualifying county, the square footage requirement is 100,000 square feet or more.

(3) Warehouse, grain elevators, and material-handling equipment and racking equipment for which an exemption, credit, or deferral has been or is being received under chapter 82.60, 82.62, or 82.63 RCW or RCW 82.08.02565 or 82.12.02565 are not eligible for any remittance under this section. Materials incorporated in warehouses and grain elevators upon which construction was initiated prior to May 20, 1997, are not eligible for a remittance under this section.

(4) The lessor or owner of the warehouse or grain elevator is not eligible for a remittance or credit under this section unless the underlying ownership of the warehouse or grain elevator and material-handling equipment and racking equipment vests exclusively in the same person, or unless the lessor by written contract agrees to pass the economic benefit of the exemption to the lessee in the form of reduced rent payments.

(5) The definitions in RCW 82.08.820 apply to this section.

(6) This section expires July 1, 2032.

NEW SECTION. Sec. 203. A person claiming an exemption from state tax in the form of a remittance under RCW 82.08.820 or 82.12.820 for a warehouse or distribution center must file the annual tax preference performance report under RCW 82.32.534 beginning in the first calendar year following the year the warehouse, distribution center, or grain elevator is operationally complete and for the next two subsequent years.

NEW SECTION. Sec. 204. (1) This section is the tax preference performance statement for the warehousing, distribution, and grain elevator sales and use tax exemptions in sections 201 and 202, chapter . . . , Laws of 2022 (sections 201 and 202 of this act). The 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 be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to accomplish the general purposes indicated in RCW 82.32.808(2) (a) and (c) to induce certain designated behavior by businesses and to create jobs.

(3) It is the legislature's specific public policy objective to induce the construction of new or expanded warehouses and distribution centers in certain targeted counties by reducing the square footage requirement in order to diversify the tax base and increase employment within the targeted counties.

(4) To measure the effectiveness of these exemptions in achieving the specific public policy objectives described in subsection (3) of this section, the joint legislative audit and review committee must evaluate the changes in the number of employment positions in the warehousing and distribution industry sector in the targeted counties and changes to the tax base as a result of increased warehousing and distribution activity.

(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 the remittance data prepared by the department of revenue and the annual tax preference performance report submitted by the beneficiary of the tax preference under RCW 82.32.534.

NEW SECTION. Sec. 205. Sections 101 through 110 of this act constitute a new chapter in Title 82 RCW.

NEW SECTION. Sec. 206. This act takes effect July 1, 2022."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Rolfes moved that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 5901.

Senator Rolfes spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Rolfes that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 5901.

The motion by Senator Rolfes carried and the Senate concurred in the House amendment(s) to Engrossed Senate Bill No. 5901 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5901, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5901, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 36; Nays, 12; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Hasegawa, Holy, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C. and Wilson, L.

Voting nay: Senators Braun, Brown, Gildon, Hawkins, Honeyford, King, McCune, Muzzall, Padden, Sefzik, Short and Wilson, J.

Excused: Senator Randall

ENGROSSED SENATE BILL NO. 5901, 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.

SIGNED BY THE PRESIDENT

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

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ENGROSSED FOURTH SUBSTITUTE HOUSE BILL NO. 1412, ENGROSSED SUBSTITUTE HOUSE BILL NO. 1530, HOUSE BILL NO. 1641, ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1663, ENGROSSED SUBSTITUTE HOUSE BILL NO. 1821, ENGROSSED SUBSTITUTE HOUSE BILL NO. 1846, ENGROSSED SUBSTITUTE HOUSE BILL NO. 1866, SECOND SUBSTITUTE HOUSE BILL NO. 1988, ENGROSSED HOUSE BILL NO. 1990, and SUBSTITUTE HOUSE BILL NO. 2099.

MESSAGE FROM THE HOUSE

March 9, 2022

MR. PRESIDENT:

The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5980 with the following amendment(s): 5980-S.E AMH FIN H2996.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 82.04.4451 and 2010 1st sp.s. c 23 s 1102 are each amended to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed against the amount of tax otherwise due under this chapter, as provided in this section. Except for taxpayers that report at least ((fifty)) 50 percent of their taxable amount under RCW 82.04.255, 82.04.290(2)(a), and 82.04.285, the maximum credit for a taxpayer for a reporting period is ((thirty five dollars)) \$55 multiplied by the number of months in the reporting period, as determined under RCW 82.32.045. For a taxpayer that reports at least ((fifty)) 50 percent of its taxable amount under RCW 82.04.255, 82.04.290(2)(a), and 82.04.285, the maximum credit for a reporting period is ((seventy dollars)) \$160 multiplied by the number of months in the reporting period, as determined under RCW 82.32.045.

(2) When the amount of tax otherwise due under this chapter is equal to or less than the maximum credit, a credit is allowed equal to the amount of tax otherwise due under this chapter.

(3) When the amount of tax otherwise due under this chapter exceeds the maximum credit, a reduced credit is allowed equal to twice the maximum credit, minus the tax otherwise due under this chapter, but not less than zero.

(4) The department may prepare a tax credit table consisting of tax ranges using increments of no more than five dollars and a corresponding tax credit to be applied to those tax ranges. The table shall be prepared in such a manner that no taxpayer will owe a greater amount of tax by using the table than would be owed by performing the calculation under subsections (1) through (3) of this section. A table prepared by the department under this subsection must be used by all taxpayers in taking the credit provided in this section.

Sec. 2. RCW 82.32.045 and 2019 c 63 s 2 and 2019 c 8 s 302 are each reenacted and amended to read as follows:

(1) Except as otherwise provided in this chapter and subsection (6) of this section, payments of the taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and 82.16 RCW, along with reports and returns on forms prescribed by the department, are due monthly within twenty-five days after the end of the month in which the taxable activities occur.

(2) The department of revenue may relieve any taxpayer or class of taxpayers from the obligation of remitting monthly and may require the return to cover other longer reporting periods, but in no event may returns be filed for a period greater than one year.

Except as provided in subsection (3) of this section, for these taxpayers, tax payments are due on or before the last day of the month next succeeding the end of the period covered by the return.

(3) For annual filers, tax payments, along with reports and returns on forms prescribed by the department, are due on or before April 15th of the year immediately following the end of the period covered by the return.

(4) The department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

(5) Notwithstanding subsections (1) and (2) of this section, the department may relieve any person of the requirement to file returns if the following conditions are met:

(a) The person's value of products, gross proceeds of sales, or gross income of the business, from all business activities taxable under chapter 82.04 RCW, is less than(±

(i) Twenty eight thousand dollars per year; or
(ii) Forty six thousand six hundred sixty seven dollars per year for persons generating at least fifty percent of their taxable amount from activities taxable under RCW 82.04.255, 82.04.290(2)(a), and 82.04.285)) \$125,000;

(b) The person's gross income of the business from all activities taxable under chapter 82.16 RCW is less than twenty-four thousand dollars per year; and

(c) The person is not required to collect or pay to the department of revenue any other tax or fee which the department is authorized to collect.

(6)(a) Taxes imposed under chapter 82.08 or 82.12 RCW on taxable events that occur beginning January 1, 2019, through June 30, 2019, and payable by a consumer directly to the department are due, on returns prescribed by the department, by July 25, 2019.

(b) This subsection (6) does not apply to the reporting and payment of taxes imposed under chapters 82.08 and 82.12 RCW:

(i) On the retail sale or use of motor vehicles, vessels, or aircraft; or

(ii) By consumers who are engaged in business, unless the department has relieved the consumer of the requirement to file returns pursuant to subsection (5) of this section.

NEW SECTION. Sec. 3. This act applies to reporting periods beginning on or after January 1, 2023.

NEW SECTION. Sec. 4. Section 1 of this act is exempt from RCW 82.32.805 and 82.32.808."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Carlyle moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5980.

Senators Carlyle and Wilson, L. spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Carlyle that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5980.

The motion by Senator Carlyle carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5980 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5980, as

amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5980, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Randall

ENGROSSED SUBSTITUTE SENATE BILL NO. 5980, 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

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

SECOND READING

SENATE CONCURRENT RESOLUTION NO. 8407, by Senators Pedersen and Short

Adjourning SINE DIE.

The measure was read the second time.

MOTION

On motion of Senator Pedersen, the rules were suspended, Senate Concurrent Resolution No. 8407 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

The President declared the question before the Senate to be the final passage of Senate Concurrent Resolution No. 8407.

Senator Pedersen spoke in favor of adoption of the resolution.

SENATE CONCURRENT RESOLUTION NO. 8407 having received a majority was adopted by voice vote.

MOTION

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

MESSAGE FROM THE HOUSE

March 8, 2022

MR. PRESIDENT:

The House refuses to concur in the Senate amendment(s) to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1736 and asks the Senate to recede therefrom. and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Pedersen moved that the Senate recede from its position in the Senate amendment(s) to Engrossed Second Substitute House Bill No. 1736.

Senator Pedersen spoke in favor of the motion.

The President declared the question before the Senate to be motion by Senator Pedersen that the Senate recede from its position in the Senate amendment(s) to Engrossed Second Substitute House Bill No. 1736.

The motion by Senator Pedersen carried and the Senate receded from its position in the Senate amendment(s) to Engrossed Second Substitute House Bill No. 1736 by voice vote.

MOTION

Senator Pedersen moved that the rules be suspended and that Engrossed Second Substitute House Bill No. 1736 be returned to second reading for the purposes of amendment.

Senator Braun objected to the motion.

The President declared the question before the Senate to be the motion by Senator Pedersen that the rules be suspended and Engrossed Second Substitute House Bill No. 1736 be returned to second reading.

The motion by Senator Pedersen carried and the Engrossed Second Substitute House Bill No. 1736 was returned to second reading by voice vote

SECOND READING

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1736, by House Committee on Appropriations (originally sponsored by Sullivan, Slatter, Leavitt, Valdez, Walen, Goodman, Gregerson, Ramel, Santos, Wylie, Paul, Simmons, Chopp, Bergquist, Pollet, Johnson, J., Riccelli, Ormsby and Frame)

Establishing a state student loan program.

PARLIAMENTARY INQUIRY

Senator Honeyford: "Thank you Mr. President. My inquiry is, have we waived Rule 15? And if not, we should have had a 90 minute for lunch and a 90 minute for dinner."

MOTION

Senator Pedersen moved that Rule 15 be suspended for the remainder of the day for the purpose of allowing continued floor action.

Senator Honey objected to the motion to suspend Rule 15.

PARLIAMENTARY INQUIRY

Senator Honeyford: "Can you waive a rule after the fact? Here it is quarter to eight, long past the dinner time, may that rule be waived?"

RULING BY THE PRESIDENT

President Heck: "Yes."

The President declared the question before the Senate to be the motion by Senator Pedersen to suspend Senate Rule No. 15.

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The motion by Senator Pedersen carried and Senate Rule No. 15 was suspended for the remainder of the day.

EDITOR'S NOTE: Senate Rule 15 establishes the floor schedule and calls for a lunch and dinner break of 90 minutes each per day during regular daily sessions.

PARLIAMENTARY INQUIRY

Senator Honeyford: "I didn't understand if you made a ruling if you can make this retroactive."

RULING BY THE PRESIDENT

President Heck: "We are going to follow the rule of the body and they just voted away Rule 15."

SIGNED BY THE PRESIDENT

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

ENGROSSED SUBSTITUTE SENATE BILL NO. 5689,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5974,
and SUBSTITUTE SENATE BILL NO. 5975.

MOTION

Senator Pedersen moved that the following striking amendment no. 1496 by Senator Randall to Engrossed Second Substitute House Bill No. 1736 be adopted:

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 1. (1) The legislature finds that college students continue to borrow in order to fund their higher education, despite an increase in access to state financial aid. In Washington state, estimates for the number of borrowers carrying student loan debt are around 800,000 with an average balance around \$33,500, resulting in a total outstanding balance of \$29.4 billion. Student loan debt outpaces other sources of consumer debt, such as credit card and vehicle debt. While research shows that earning a postsecondary credential positively impacts a person's earning potential, high student loan debt erodes much of this benefit.

(2) The legislature recognizes that people with student loan debt are less likely to get married and start a family, establish small businesses, and buy homes. High student loan debt negatively impacts a person's credit score and their debt-to-income ratio, which impacts their ability to qualify for a mortgage. However, student loan debt does not impact all borrowers the same.

(3) Student loan borrowers who struggle the most are typically lower income, first generation, and students of color. Data from the national center for education statistics of a 12-year longitudinal study based on students who began their education in the 2003-04 academic year found the following for students who defaulted: Almost 90 percent had received a Pell grant at one point; 70 percent were first generation college students; 40 percent were in the bottom quarter of income distribution; and 30 percent were African American.

(4) The legislature recognizes though that student loans are beneficial for students who have no other way to pay for college or have expenses beyond tuition and fees. Student loans can open up postsecondary education opportunities for many and help boost the state's economy by increasing the number of qualified

graduates to fulfill workforce shortages. However, the legislature finds that high interest rates that accumulate while the student is in college negatively impact the student's ability to prosper financially and contribute to the state's economy after graduation. The legislature also recognizes that there is very little financial aid available to assist students pursuing graduate studies, despite the state's high demand for qualified professionals in fields with workforce shortages such as behavioral health, nursing, software development, teaching, and more. Therefore, the legislature intends to support students pursuing higher education by establishing a state student loan program that is more affordable than direct federal student loans and private loans. The legislature intends to offer student loans to state residents with financial need who are pursuing undergraduate and high-demand graduate studies at a subsidized, one percent interest rate. The legislature intends for the Washington state student loan program to align with the Washington college grant program, recognizing that student loans are secondary forms of financial aid that often cover expenses beyond tuition. Based on the feasibility of the state student loan program recommendations developed by the Washington student achievement council, in consultation with the Washington state investment board, and the office of the state treasurer, the legislature intends to finance the Washington state student loan program with a one-time \$150,000,000 appropriation to cover annual student loan originations and expenses until repayments are substantial enough to support the program on an ongoing basis.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Borrower" means an eligible student who has received a student loan under the Washington student loan program.

(2) "Eligible expenses" means reasonable expenses associated with the costs of acquiring a postsecondary education such as tuition, fees, books, equipment, room and board, and other expenses as determined by the office.

(3) "Eligible graduate program" means an advanced academic degree in a specialized field of study that has a workforce shortage or is considered high demand, as determined by the office.

(4) "Eligible student" means a student who:

(a) Meets the definition of "resident student" under RCW 28B.15.012(2) (a) through (e);

(b) Has a median family income of 100 percent or less of the state median family income;

(c) Is enrolled in an institution of higher education in an eligible undergraduate or graduate program on at least a half-time basis; and

(d) Has completed an annual application for financial aid as approved by the office.

(5) "Eligible undergraduate program" means a postsecondary education program that leads to a certificate, associate's degree, or bachelor's degree.

(6) "Gift aid" means federal, state, institutional, or private financial aid provided for educational purposes with no obligation of repayment. "Gift aid" does not include student loans or work-study programs.

(7) "Institutions of higher education" includes institutions of higher education authorized to participate in state financial aid programs in accordance with chapter 28B.92 RCW.

(8) "Office" means the office of student financial assistance established under chapter 28B.76 RCW.

(9) "Program" means the Washington student loan program.

(10) "Student loan" means a loan that is approved by the office and awarded to an eligible student to pay for eligible expenses.

NEW SECTION. Sec. 3. (1) The Washington student

achievement council, in consultation with the office of the state treasurer and the state investment board shall design a student loan program to assist students who need additional financial support to obtain postsecondary education.

(2) At a minimum, the program design must make recommendations about the following features of a state student loan program and implementation plan:

(a) A low interest rate that is below current federal subsidized student loan interest rates, with one option being a one percent interest rate;

(b) The distribution of loans between graduate students and undergraduate students;

(c) The terms of the loans, including:

(i) Loan limits;

(ii) Grace periods; and

(iii) Minimum postsecondary enrollment standards;

(d) The terms and administration of a repayment program, including:

(i) Repayment options such as standard loan repayment contracts and the length of the repayment contracts;

(ii) Income-based repayment plans; and

(iii) Terms of loan forgiveness;

(e) The types and characteristics of borrowers permitted to participate in the program including family income, degree and credential types, and other borrower characteristics. The program must prioritize low-income borrowers; and

(f) The design and administration of an appeals process.

(3) In the design of the program, the Washington student achievement council may recommend contracting with one or more state-based financial institutions regulated by either chapter 31.12 or 30A.04 RCW to provide loan origination and may contract with a third-party entity to provide loan servicing for the program. A third-party entity providing loan servicing shall comply with all of the requirements for student education loan servicers under chapter 31.04 RCW.

(4) The Washington student achievement council shall contract with an independent actuary to conduct an analysis on the sustainability of the program design, including the ability of the program to operate as self-sustaining if issuing one percent interest rate loans.

(5) The Washington student achievement council shall provide a report on the design, sustainability, and implementation plan for the program to the governor and the higher education committees of the legislature by December 1, 2022, in accordance with RCW 43.01.036.

NEW SECTION. Sec. 4. (1) The Washington student loan program is created to assist students who need additional financial support to obtain postsecondary education. Beginning in the 2024-25 academic year, the office may award student loans under the program to eligible students from the funds available in section 7 of this act.

(2) The program shall be administered by the office. To the extent practicable, the program design must include the recommendations for program design as provided in the report required under section 3 of this act. Student loans shall not be issued unless the program design recommended in section 3 of this act is forecasted by an independent actuary to be self-sustaining and the interest rates for the loans issued under the program do not exceed one percent.

(3) The office is responsible for providing administrative support to execute the duties and responsibilities provided in this chapter. The duties and responsibilities include:

(a) Ensure institutions of higher education have a policy for awarding student loans under the program that prioritizes funding for eligible students who have greater unmet financial need, are lowest income, are first generation college students, and who

have received loans under the program in prior years;

(b) Issue low-interest student loans;

(c) Define the terms of repayment;

(d) Collect and manage repayments from borrowers;

(e) Establish an appeals process;

(f) Exercise discretion to revise repayment obligations in certain cases, such as economic hardship or disability;

(g) Publicize the program; and

(h) Adopt necessary rules.

NEW SECTION. Sec. 5. The office shall contract with one or more state-based financial institutions regulated by either chapter 31.12 RCW or chapter 30A.04 RCW to provide loan origination and may contract with a third-party entity to provide loan servicing for the program. A third-party entity providing loan servicing shall comply with all of the requirements for student education loan servicers under chapter 31.04 RCW.

NEW SECTION. Sec. 6. (1) The office shall collect data on the program in collaboration with the institutions of higher education. The data must include, but is not limited to:

(a) The number of eligible students who were awarded a student loan;

(b) The number of borrowers;

(c) The average borrowed annual and total balances;

(d) Borrower demographics;

(e) The institutions of higher education and educational fields of borrowers; and

(f) Repayment statistics, including:

(i) The number of borrowers in active repayment, deferment, delinquency, forbearance, and default;

(ii) The average time it took for borrowers to enter delinquency and default;

(iii) Demographic and educational data of borrowers enrolled in the income-based repayment plan option;

(iv) Demographic and educational data of borrowers in different repayment statuses, including delinquency and default; and

(v) Information about what happened to borrowers who defaulted.

(2) Beginning December 1, 2026, and in compliance with RCW 43.01.036, the office must submit an annual report on the data collected under subsection (1) of this section and any other relevant information regarding the program to the higher education committees of the legislature.

NEW SECTION. Sec. 7. The Washington student loan account is created in the custody of the state treasurer. All receipts from the Washington student loan program must be deposited in the account. Expenditures from the account may be used only for administration and the issuance of new student loans. Only the executive director of the Washington student achievement council or the executive director's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, moneys in the account may be spent only after appropriation.

Sec. 8. RCW 43.79A.040 and 2021 c 175 s 10 and 2021 c 108 s 5 are each reenacted and amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

(3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's

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trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Rosa Franklin legislative internship program scholarship ~~((account))~~ account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the county road administration board emergency loan account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family and medical leave insurance account, the fish and wildlife federal lands revolving account, the natural resources federal lands revolving account, the food animal veterinarian conditional scholarship account, the forest health revolving account, the fruit and vegetable inspection account, the educator conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the Washington history day account, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the low-income home rehabilitation revolving loan program account, the multiagency permitting team account, the northeast Washington wolf-livestock management account, the produce railcar pool account, the public use general aviation airport loan revolving account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state library-archives building account, the reduced cigarette ignition propensity account, the center for deaf and hard of hearing youth account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, the school employees' benefits board insurance reserve fund, the public employees' and retirees' insurance account, the school employees' insurance account, the long-term services and supports trust account, the radiation perpetual maintenance fund, the Indian health improvement reinvestment account, the department of licensing tuition recovery trust fund, the student

achievement council tuition recovery trust fund, the tuition recovery trust fund, the Washington student loan account, the industrial insurance premium refund account, the mobile home park relocation fund, the natural resources deposit fund, the Washington state health insurance pool account, the federal forest revolving account, and the library operations account.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advance right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. Sec. 9. Sections 1 through 7 of this act constitute a new chapter in Title 28B RCW."

On page 1, line 2 of the title, after "43.79A.040;" insert "and"

On page 1, line 3 of the title, after "RCW" strike "; and creating a new section"

MOTION

Senator Braun moved that the following amendment no. 1503 by Senator Braun be adopted:

Beginning on page 1, line 27, after "(4)" strike all material through "RCW." on page 9, line 5 and insert "The legislature recognizes that the best way to make college more affordable and open up opportunities for all students is to lower tuition. Therefore, the legislature intends to support students pursuing higher education by reducing tuition at the public baccalaureate institutions by 25 percent in the 2022-23 academic year and backfilling all revenue lost by the institutions with state appropriations.

Sec. 2. RCW 28B.15.066 and 2015 3rd sp.s. c 36 s 2 are each amended to read as follows:

(1) Beginning with the ~~((2015-2017))~~ 2022 supplemental omnibus appropriations act, the legislature shall appropriate to ~~((the state board for community and technical colleges and to))~~ each of the four-year institutions of higher education an amount that is at least equal to the total state funds appropriated in ~~((the 2013-2015))~~ chapter 334, Laws of 2021 for the 2021-2023 fiscal biennium and the net revenue loss from resident undergraduate tuition operating fees based on ~~((budgeted))~~ state-funded full-time equivalent enrollment received for the ~~((2015-2017 fiscal biennium))~~ 2021-22 academic year under RCW 28B.15.067 ~~((3) and (6))~~ (2). The net revenue loss shall be adjusted for inflation in subsequent biennia.

(2) As used in this section and RCW 28B.15.069, "inflation" shall be based on the consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people and covering areas exclusively within the

boundaries of the state shall be used.

Sec. 3. RCW 28B.15.067 and 2021 c 200 s 9 are each amended to read as follows:

(1) Tuition fees shall be established under the provisions of this chapter.

(2) Tuition operating fees for resident undergraduates at institutions of higher education as defined in RCW 28B.10.016, excluding applied baccalaureate degrees as defined in RCW 28B.50.030, may increase by no more than the average annual percentage growth rate in the median hourly wage for Washington for the previous fourteen years as the wage is determined by the federal bureau of labor statistics.

(3) The governing boards of the state universities, regional universities, and The Evergreen State College; and the state board for community and technical colleges may reduce or increase full-time tuition fees for all students other than resident undergraduates, including nonresident students, summer school students, and students in other self-supporting degree programs. Percentage increases in full-time tuition may exceed the fiscal growth factor. Except during the 2013-2015 fiscal biennium, the state board for community and technical colleges may pilot or institute differential tuition models. The board may define scale, scope, and rationale for the models.

(4) In the 2022-23 academic year, full-time tuition operating fees for resident undergraduates for state universities, regional universities, The Evergreen State College, and applied baccalaureate degrees as defined in RCW 28B.50.030 shall be 12.5 percent less than the 2021-22 academic year tuition operating fees.

(5) The tuition fees established under this chapter shall not apply to high school students enrolling in participating institutions of higher education under RCW 28A.600.300 through 28A.600.400.

~~((5))~~ (6)(a) The tuition fees established under this chapter shall not apply to eligible students enrolling in a dropout reengagement program through an interlocal agreement between a school district and a community or technical college under RCW 28A.175.100 through 28A.175.110.

(b) The tuition fees established under this chapter shall not apply to students incarcerated with the department of corrections who are participating in credit-eligible postsecondary education courses and degree programs when the program expenses are funded by nontuition resources such as, but not limited to, grants, contracts, and donations.

~~((6))~~ (7) As a result of any changes in tuition under section 3, chapter 36, Laws of 2015 3rd sp. sess., the governing boards of the state universities, the regional universities, and The Evergreen State College shall not reduce resident undergraduate enrollment below the 2014-15 academic year levels.

NEW SECTION. Sec. 4. The sum of \$111,000,000 from the general fund—state for the fiscal year ending June 30, 2023, and \$39,000,000 from the workforce education investment account, or as much thereof as may be necessary, is appropriated to the office of financial management solely for allocations to institutions of higher education to backfill lost tuition operating fees from the effects of sections 2 and 3 of this act.

NEW SECTION. Sec. 5. Section 737, chapter . . ., Laws of 2022 (Engrossed Substitute Senate Bill No. 5693) (uncodified) is repealed.

NEW SECTION. Sec. 6. Section 5 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 9, beginning on line 6, after "1," strike all material through "section" on line 8 and insert "line 1 of the title, after "to" strike the remainder of the title and insert "higher education

affordability; amending RCW 28B.15.066 and 28B.15.067; creating a new section; repealing 2022 c ... s 737 (uncodified); making an appropriation; and declaring an emergency."

Senators Braun and Padden spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

MOTION

Senator Braun demanded a roll call.

The President declared that one-sixth of the members supported the demand, and the demand was sustained.

The President declared the question before the Senate to be the motion by Senator Braun to adopt the amendment on page 1, line 27 to striking amendment no. 1496.

ROLL CALL

The Secretary called the roll on the motion by Senator Braun and the amendment was not adopted by the following vote: Yeas, 21; Nays, 27; Absent, 0; Excused, 1.

Voting yea: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Excused: Senator Randall.

MOTION

Senator Holy moved that the following amendment no. 1498 by Senator Holy be adopted:

On page 2, at the beginning of line 13, strike "and high-demand graduate"

On page 2, beginning on line 35, strike all of subsection (3) Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 3, line 6, after "undergraduate" strike "or graduate"

On page 3, beginning on line 36, strike all of subsection (b) Reletter the remaining subsections consecutively and correct any internal references accordingly.

Senator Holy spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1498 by Senator Holy on page 2, line 13 to striking amendment no. 1496.

The motion by Senator Holy did not carry and amendment no. 1498 was not adopted by voice vote.

MOTION

Senator Braun moved that the following amendment no. 1504 by Senator Braun be adopted:

On page 2, beginning on line 17, after "tuition." strike all

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material through "basis." on line 25

Beginning on page 4, line 31, strike all of sections 4 through 8
 Renumber the remaining section consecutively and correct any internal references accordingly.

On page 9, line 4, after "through" strike "7" and insert "3"

On page 9, beginning on line 6, after "1," strike all material through "section" on line 8 and insert "line 1 of the title, after "program;" strike the remainder of the title and insert "and adding a new chapter to Title 28B RCW."

Senator Braun spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1504 by Senator Braun on page 2, line 17 to striking amendment no. 1496.

The motion by Senator Braun did not carry and amendment no. 1504 was not adopted by voice vote.

MOTION

Senator Braun moved that the following amendment no. 1499 by Senator Braun be adopted:

On page 3, line 2, after "28B.15.012(2) (a)" strike "through (e)" and insert ", (b), (c), (d), (e), and (j)"

Senators Braun and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

MOTION

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand, and the demand was sustained.

The President declared the question before the Senate to be the motion by Senator Braun to adopt the amendment on page 3, line 2 to striking amendment no. 1496.

ROLL CALL

The Secretary called the roll on the motion by Senator Braun and the amendment was not adopted by the following vote: Yeas, 22; Nays, 26; Absent, 0; Excused, 1.

Voting yea: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Mullet, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Excused: Senator Randall.

MOTION

Senator Wilson, L. moved that the following amendment no. 1500 by Senator Wilson, L. be adopted:

On page 3, line 2, after "28B.15.012(2) (a)" strike "through (e)"

and insert ", (b), (c), (d), (e), and (g)"

Senator Wilson, L. spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1500 by Senator Wilson, L. on page 3, line 2 to striking amendment no. 1496.

The motion by Senator Wilson, L. did not carry, and amendment no. 1500 was not adopted by voice vote.

MOTION

Senator Wilson, L. moved that the following amendment no. 1501 by Senator Wilson, L. be adopted:

On page 3, line 2, after "28B.15.012(2) (a)" strike "through (e)" and insert ", (b), (c), (d), (e), and (r)"

Senator Wilson, L. spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1501 by Senator Wilson, L. on page 3, line 2 to striking amendment no. 1496.

The motion by Senator Wilson, L. did not carry, and amendment no. 1501 was not adopted by voice vote.

MOTION

Senator Wilson, L. moved that the following amendment no. 1502 by Senator Wilson, L. be adopted:

On page 3, line 2, after "28B.15.012(2) (a)" strike "through (e)" and insert ", (b), (c), (d), (e), and (m)"

Senator Wilson, L. spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

PARLIAMENTARY INQUIRY

Senator Braun: "Mr. President, I am curious if I can make a verbal amendment to the amendment before us to expand that time to ten years."

RULING BY THE PRESIDENT

President Heck: "Senator Braun, what you are suggesting sir, would be an amendment to the amendment to the amendment and therefore is not in order."

PARLIAMENTARY INQUIRY

Senator Braun: "Wouldn't this simply be an amendment to the amendment?"

REPLY BY THE PRESIDENT

President Heck: "To the amendment. We have a striking amendment underneath. You are suggesting an amendment to 1502 which is an amendment to the striking amendment. You are

suggesting an amendment to the amendment to the amendment.”

REMARKS BY SENATOR PEDERSEN

Senator Pedersen: “Thank you very much Mr. President, and in addition I’d like to mention that Rule 64 provides that no amendment shall be considered by the Senate until it shall have been sent to the Secretary’s desk in writing and read by the Secretary. Thank you.”

PARLIAMENTARY INQUIRY

Senator Braun: “I just want to be clear because I do have it in writing as well, but I understand even in writing an amendment to an amendment to an amendment is still not permitted. Is that correct?”

REPLY BY THE PRESIDENT

President Heck: “Yes sir.”

Senator Braun: “Thank you.”

Senators Braun and Honeyford spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1502 by Senator Wilson, L. on page 3, line 2 to striking amendment no. 1496.

The motion by Senator Wilson, L. did not carry, and amendment no. 1502 was not adopted by voice vote.

MOTION

Senator Gildon moved that the following amendment no. 1497 by Senator Gildon be adopted:

On page 3, after line 4, insert the following:
“(c) Has earned a cumulative grade point average of at least 2.5 at the time of application to the program;”

Renumber the remaining subsections consecutively.

Senators Gildon, Honeyford, Braun, Padden and Sefzik spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1497 by Senator Gildon on page 3, after line 4 to striking amendment no. 1496.

The motion by Senator Gildon did not carry and amendment no. 1497 was not adopted by voice vote.

MOTION

Senator Gildon moved that the following amendment no. 1505 by Senator Gildon be adopted:

On page 3, line 11, after “a” strike “certificate, associate's degree, or”

On page 3, line 12, after “degree” insert “in a high-demand field, as determined by the office”

Senators Gildon, Wagoner, Braun and Muzzall spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1505 by Senator Gildon on page 3, line 11 to striking amendment no. 1496.

The motion by Senator Gildon did not carry and amendment no. 1505 was not adopted by voice vote.

MOTION

Senator Short moved that the following amendment no. 1508 by Senator Short be adopted:

On page 4, line 1, after “periods” insert “, including grace periods for active duty members of the national guard who may lose eligibility when being called up for active duty”

Senators Short, Brown, Braun, Padden, Warnick and Fortunato spoke in favor of adoption of the amendment.

Senators Rolfes and Robinson spoke against adoption of the amendment.

MOTION

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand, and the demand was sustained.

The President declared the question before the Senate to be the motion by Senator Short to adopt the amendment on page 4, line 1 to striking amendment no. 1496.

ROLL CALL

The Secretary called the roll on the motion by Senator Short and the amendment was adopted by the following vote: Yeas, 25; Nays, 24; Absent, 0; Excused, 1.

Voting yea: Senators Braun, Brown, Dozier, Fortunato, Frockt, Gildon, Hawkins, Holy, Honeyford, King, McCune, Mullet, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Van De Wege, Wagoner, Warnick, Wilson, J. and Wilson, L.

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Wellman and Wilson, C.

Excused: Senator Randall.

The President voting yea.

MOTION

Senator Short moved that the following amendment no. 1506 by Senator Short be adopted:

On page 4, line 18, after “program.” insert “The Washington student achievement council must use an open and competitive bid process in the selection of one or more state-based financial institutions for loan origination and servicing for the program.”

Senators Short, Rolfes and Braun spoke in favor of adoption of the amendment to the striking amendment.

Senator Muzzall spoke on adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1506 by Senator Short on page 4, line 18 to striking amendment no. 1496.

The motion by Senator Short carried and amendment no. 1506 was adopted by voice vote.

MOTION

Senator Warnick moved that the following amendment no. 1510 by Senator Warnick be adopted:

On page 5, after line 20, insert the following:

"(4) The office is responsible for establishing and administering an appeals process that resolves appeals from borrowers within ninety days of receipt."

Senators Warnick and Rolfes spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1510 by Senator Warnick on page 5, after line 20 to striking amendment no. 1496.

The motion by Senator Warnick carried and amendment no. 1510 was adopted by voice vote.

MOTION

Senator Short moved that the following amendment no. 1507 by Senator Short be adopted:

On page 5, after line 35, insert the following:

"(e) Degree attainment rate of borrowers;"

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

On page 6, line 7, after "borrowers" insert "including institution of higher education attended"

Senator Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1507 by Senator Short on page 5, after line 35 to striking amendment no. 1496.

The motion by Senator Short did not carry and amendment no. 1507 was not adopted by voice vote.

PERSONAL PRIVILEGE

Senator Braun: "Thank you Mr. President. So, I was just sitting here thinking about the beginning of session when we remembered our good friend, Doug Ericksen. We sat around, many of us, sat around and we're talking, sharing stories of times on the floor with Doug Ericksen during long debates. A couple of times it came up, there'll be a time later in session where you're going to think to yourself, 'Man, I wish Doug was here.' Well, Mr. President, this is that time. Thank you, Mr. President."

MOTION

Senator Warnick moved that the following amendment no. 1509 by Senator Warnick be adopted:

On page 9, after line 5, insert the following:

NEW SECTION. Sec. 10. A new section is added to chapter 43.131 RCW to read as follows:

The Washington student loan program is terminated July 1, 2030, as provided in section 11 of this act.

NEW SECTION. Sec. 11. A new section is added to chapter 43.131 RCW to read as follows:

The following acts or part of acts, as now existing or hereafter amended, are each repealed, effective July 1, 2031:

- (1) Section 1 of this act;
- (2) Section 2 of this act;
- (3) Section 3 of this act;
- (4) Section 4 of this act;
- (5) Section 5 of this act;
- (6) Section 6 of this act; and
- (7) Section 7 of this act."

On page 9, at the beginning of line 6, strike all material through "section"" on line 8 and insert "On page 1, line 1 of the title, after "program;" strike the remainder of the title and insert "reenacting and amending RCW 43.79A.040; adding new sections to chapter 43.131 RCW; and adding a new chapter to Title 28B RCW."

Senator Warnick spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 1509 by Senator Warnick on page 9, after line 5 to striking amendment no. 1496.

The motion by Senator Warnick did not carry and amendment no. 1509 was not adopted by voice vote.

Senator Rolfes spoke in favor of adoption of the striking amendment as amended.

The President declared the question before the Senate to be the adoption of striking amendment no. 1496 by Senator Randall as amended to Engrossed Second Substitute House Bill No. 1736.

The motion by Senator Pedersen carried and striking amendment no. 1496 as amended was adopted by voice vote.

MOTION

On motion of Senator Rolfes, the rules were suspended, Engrossed Second Substitute House Bill No. 1736 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Rolfes spoke in favor of passage of the bill.

Senators Wilson, L., Wagoner, Braun and Holy spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute House Bill No. 1736 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute House Bill No. 1736 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 27; Nays, 21; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Excused: Senator Randall

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1736 as amended by the Senate, having received the constitutional majority, was declared passed. There being no

objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

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

SUBSTITUTE SENATE BILL NO. 5488,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5531,
ENGROSSED SECOND SUBSTITUTE
SENATE BILL NO. 5755,
ENGROSSED SENATE BILL NO. 5901,
and ENGROSSED SUBSTITUTE SENATE BILL NO. 5980.

MESSAGES FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5689,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5974,
SUBSTITUTE SENATE BILL NO. 5975,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:

The Speaker has signed:

THIRD SUBSTITUTE HOUSE BILL NO. 1359,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1694,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1699,
SECOND SUBSTITUTE HOUSE BILL NO. 1814,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1914,
HOUSE BILL NO. 2058,

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2124,
and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION FOR IMMEDIATE CONSIDERATION

Senator Padden moved that the Senate immediately consider Senate Bill No. 5919, concerning the standard for law enforcement authority to detain or pursue persons..

Senators Padden, Braun, Mullet and Fortunato spoke in favor of the motion.

Senator Pedersen spoke against the motion.

The President declared the question before the Senate to be the motion by Senator Padden that the Senate immediately consider Senate Bill No. 5919.

The motion for immediate consideration did not carry by voice vote.

SIGNED BY THE PRESIDENT

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

THIRD SUBSTITUTE HOUSE BILL NO. 1359,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1694,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1699,
SECOND SUBSTITUTE HOUSE BILL NO. 1814,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1914,
HOUSE BILL NO. 2058,
and ENGROSSED SUBSTITUTE HOUSE BILL NO. 2124.

MOTION

Senator Braun moved that the Senate advance to the ninth order of business for the purpose of relieving the Committee on State Government & Elections of further consideration of Senate Concurrent Resolution No. 8405, resolving that the COVID-19 state of emergency should be ended.

MOTION

Senator Braun demanded a roll call.

The President declared that one-sixth of the members supported the demand, and the demand was sustained.

Senator Braun spoke on adoption of the motion.

Senator Pedersen spoke against the motion.

The President declared the question before the Senate to be the adoption of the motion by Senator Braun to advance to the ninth order.

ROLL CALL

The Secretary called the roll on the motion to advance to the ninth order, and the motion did not carry by the following vote: Yeas, 21; Nays, 27; Absent, 0; Excused, 1.

Voting yea: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Rivers, Schoesler, Sefzik, Sheldon, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Lias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Robinson, Rolfes, Saldaña, Salomon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Excused: Senator Randall

MOTION

At 9:20 p.m., on motion of Senator Pedersen, the Senate was declared to be at ease subject to the call of the President.

Senator Hasegawa announced a meeting of the Democratic Caucus.

Senator Warnick announced a meeting of the Republican Caucus.

The Senate was called to order at 10:24 p.m. by President Heck.

MESSAGE FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on SUBSTITUTE HOUSE BILL NO. 1876 and has passed the bill as recommended by the Conference Committee. and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

MESSAGE FROM THE HOUSE

SIXTIETH DAY, MARCH 10, 2022

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March 10, 2022

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 5693 and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Engrossed Substitute Senate Bill No. 5693

March 9, 2022

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed Substitute Senate Bill No. 5693, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. 2021 c 334 s 1 (uncodified) is amended to read as follows:

(1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through IX of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2021, and ending June 30, 2023, except as otherwise provided, out of the several funds of the state hereinafter named.

(2) Unless the context clearly requires otherwise, the definitions in this section apply throughout this act.

(a) "ARPA" means the American rescue plan act of 2021, P.L. 117-2.

(b) "CARES" means the coronavirus aid, relief, and economic security act, P.L. 116-136.

(c) "CRF" means the coronavirus relief fund created by section 5001, the coronavirus aid, relief, and economic security act, P.L. 116-136, division A.

(d) "CRRSA" means the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M.

(e) "CRRSA/ESSER" means the elementary and secondary school emergency relief fund, as modified by the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M.

(f) "Dedicated marijuana account" means the dedicated cannabis account, if either Engrossed Second Substitute Senate Bill No. 5796 or Second Substitute House Bill No. 1210 is enacted.

(g) "Fiscal year 2022" or "FY 2022" means the fiscal year ending June 30, 2022.

((g)) (h) "Fiscal year 2023" or "FY 2023" means the fiscal year ending June 30, 2023.

((h)) (i) "FTE" means full time equivalent.

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

((j)) (k) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(3) Whenever the terms in subsection (2)(a) through (e) of this section are used in the context of a general fund—federal appropriation, the term is used to attribute the funding to that federal act.

**PART I
GENERAL GOVERNMENT**

Sec. 101. 2021 c 334 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General	Fund—State	Appropriation	(FY 2022)
			(\$45,740,000))
			<u>\$46,838,000</u>
General	Fund—State	Appropriation	(FY 2023)
			(\$46,804,000))
			<u>\$53,280,000</u>
TOTAL APPROPRIATION			(((\$92,544,000))
			<u>\$100,118,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a work group to continue the house of representatives' examination of employment practices and policies and to develop options and recommendations for the house of representatives.

(a) The work group is composed of the following members:

(i) Two legislative assistants from each of the two largest caucuses of the house of representatives;

(ii) One nonsupervisory staff and one supervisory staff from each of the two largest caucuses of the house of representatives;

(iii) One committee assistant, one coordinator, one analyst or counsel, and one administrative staff from the house of representatives office of program research;

(iv) One nonsupervisory staff and one supervisory staff from the house of representatives administration;

(v) The chief clerk of the house of representatives or their designee; and

(vi) The house of representatives human resource director.

(b) Staff who wish to be appointed to the work group must submit an application to the office of human resources. The house of representatives human resource officer shall make recommendations to the house of representatives executive rules committee who shall then confirm appointments to the work group.

(c) The chief clerk of the house of representatives shall contract for an external facilitator to staff and assist the work group. The facilitator must have a background or experience in organizational development. The chief clerk may also contract for legal services and other expert services, as necessary, to assist the work group.

(d) The work group shall consider issues related to employment practices and policies including, but not limited to:

(i) The supervisory structure of employees;

(ii) Workplace terms and conditions; and

(iii) Professional development.

(e) The expenses of the work group must be paid from the amount appropriated in this section subject to approval by the house of representatives executive rules committee.

(f) The work group must report its findings and recommendations to the house of representatives executive rules committee by December 1, 2022.

(g) If Engrossed Substitute House Bill No. 2124 is enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

Sec. 102. 2021 c 334 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

General Fund—State Appropriation (FY 2022)	(\$32,755,000)
	<u>\$33,755,000</u>
General Fund—State Appropriation (FY 2023)	(\$35,699,000)
	<u>\$41,625,000</u>
TOTAL APPROPRIATION	(\$68,454,000)
	<u>\$75,380,000</u>

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

(1) \$260,000 of the general fund—state appropriation for fiscal year 2022 and \$270,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the payment of membership dues to the council of state governments, the national conference of state legislatures, the pacific northwest economic region, the pacific fisheries legislative task force, and the western legislative forestry task force.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a work group to continue the senate's examination of employment practices and policies and to develop options and recommendations for the senate.

(a) The work group is composed of the following 17 members:

(i) Two legislative assistants from each of the two largest caucuses of the senate;

(ii) One nonsupervisory staff and one supervisory staff from each of the two largest caucuses of the senate;

(iii) One committee assistant, one coordinator, one analyst or counsel, and one administrative staff from senate committee services;

(iv) One nonsupervisory staff and one supervisory staff from senate administration;

(v) The secretary of the senate or their designee; and

(vi) The senate human resource director and senate diversity, equity, and inclusion coordinator.

(b) Staff who wish to be appointed to the work group must submit an application to the office of human resources. The senate human resource officer shall make recommendations to the senate facilities and operations committee who shall then confirm appointments to the work group.

(c) The secretary of the senate shall contract for an external facilitator to staff and assist the work group. The facilitator must have a background or experience in organizational development. The secretary may also contract for legal services and other expert services, as necessary, to assist the work group.

(d) The work group shall consider issues related to employment practices and policies including, but not limited to:

(i) The supervisory structure of employees;

(ii) Workplace terms and conditions; and

(iii) Professional development.

(e) The expenses of the work group must be paid from the amount appropriated in this section subject to approval by the senate facilities and operations committee.

(f) The work group must report its findings and recommendations to the senate facilities and operations committee by December 1, 2022.

(g) If Engrossed Substitute House Bill No. 2124 is enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

Sec. 103. 2021 c 334 s 103 (uncodified) is amended to read as follows:

FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

General Fund—State Appropriation (FY 2022) ((\$303,000))
\$342,000

General Fund—State Appropriation (FY 2023) ((\$248,000))
\$296,000

Performance Audits of Government Account—State Appropriation	(\$9,384,000)
	<u>\$10,036,000</u>
TOTAL APPROPRIATION	(\$9,935,000)
	<u>\$10,674,000</u>

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

(1) \$273,000 of the general fund—state appropriation for fiscal year 2022 and \$244,000 of the general fund—state appropriation for fiscal year 2023 are provided ((solely)) for implementation of Engrossed Substitute Senate Bill No. 5405 (racial equity analyses). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(2) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2021-2023 work plan as necessary to efficiently manage workload.

(3) \$20,000 of the general fund—state appropriation for fiscal year 2022 and \$2,000 of the general fund—state appropriation for fiscal year 2023 are provided ((solely)) to implement House Bill No. 1296 (behavioral health service organizations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(4) \$10,000 of the general fund—state appropriation for fiscal year 2022 and \$2,000 of the general fund—state appropriation for fiscal year 2023 are provided ((solely)) to implement Second Substitute House Bill No. 1033 (employment training program). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$50,000 of the performance audits of government account—state appropriation is for implementation of Engrossed Substitute Senate Bill No. 5268 (developmental disability services). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(6) Sufficient funding is appropriated in this section to conduct performance audits related to state agency programs and services to address the needs of farmworkers. The audits will assess how the agency is administering the programs and enforcing the relevant laws and provide recommendations to improve service delivery and effectiveness for the protection and needs farmworkers. The committee must incorporate the performance audits in this subsection into its work plan and must provide annual progress reports on their status. The committee may prioritize its work based on available resources and staff capacity, and may contract for services as necessary, to complete the following performance audits:

(a) The department of labor and industries' programs and responsibilities to investigate and enforce:

(i) Wage and hour laws applicable to farmworkers;

(ii) Workplace health and safety standards applicable to farmworkers; and

(iii) Laws prohibiting harassment, discrimination, and retaliation against farmworkers for, among other things, asserting their rights regarding health and safety standards and wage and hour laws;

(b) The employment security department's administration of the H-2A program; and

(c) The department of health's administration of laws and rules related to pesticide safety that are intended to protect farmworkers from hazardous exposures.

(7) \$42,000 of the performance audits of government account—state appropriation is for implementation of Second Substitute Senate Bill No. 5649 (family and medical leave). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(8) \$13,000 of the general fund—state appropriation for fiscal

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year 2022 and \$4,000 of the general fund—state appropriation for fiscal year 2023 are for the implementation of Engrossed Substitute House Bill No. 1643 (affordable housing/REET). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(9) \$36,000 of the general fund—state appropriation for fiscal year 2023 is for the implementation of Engrossed Second Substitute House Bill No. 1015 (equitable access to credit). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(10) \$13,000 of the general fund—state appropriation for fiscal year 2022 is for the implementation of House Bill No. 1924 (hog fuel tax exemption). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(11) \$13,000 of the general fund—state appropriation for fiscal year 2022 and \$8,000 of the general fund—state appropriation for fiscal year 2023 are for the implementation of Substitute House Bill No. 1792 (hydrogen). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(12)(a) The joint legislative audit and review committee shall conduct a performance audit of the department of health's oversight of hospital data reporting, inspections, and complaints. The study must explore:

(i) The types of data that hospitals are required to collect and report to state and federal regulatory entities, hospitals' compliance with these reporting requirements, and the department's enforcement and use of such reporting. This data includes: Hospital financial data, patient discharge data, charity care data, adverse health events and incidents notification and reporting, and community health needs, assessments, and benefits implementation strategies;

(ii) The type and frequency of hospital inspections conducted by state and federal regulatory entities, and hospitals' correction of any deficiencies; and

(iii) The hospital facility complaint process, including how consumers may file complaints, how the department investigates complaints, and how hospitals resolve any violations.

(b) The committee must incorporate the performance audit in this subsection into its work plan and prioritize its work based on available resources and staff capacity.

(13) \$17,000 of the performance audits of government account—state appropriation is for implementation of Senate Bill No. 5713 (limited equity cooperative housing). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(14) \$5,000 of the performance audits of government account—state appropriation is for implementation of Senate Bill No. 5004 (medical marijuana tax ex.). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(15) \$17,000 of the performance audits of government account—state appropriation is for implementation of Engrossed Substitute Senate Bill No. 5714 (solar canopies tax deferral). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 104. 2021 c 334 s 104 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Performance Audits of Government Account—State Appropriation	(((\$4,664,000)) \$4,735,000
TOTAL APPROPRIATION	(((\$4,664,000)) \$4,735,000

Sec. 105. 2021 c 334 s 105 (uncodified) is amended to read as follows:

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FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund—State Appropriation	(FY 2022) (((\$14,173,000)) \$14,466,000
General Fund—State Appropriation	(FY 2023) (((\$14,235,000)) \$16,168,000
TOTAL APPROPRIATION	(((\$28,408,000)) \$30,634,000

The appropriations in this section are subject to the following conditions and limitations: Within the amounts provided in this section, the joint legislative systems committee shall provide information technology support, including but not limited to internet service, for the district offices of members of the house of representatives and the senate.

NEW SECTION. Sec. 106. A new section is added to 2021 c 334 (uncodified) to read as follows:

FOR THE OFFICE OF STATE LEGISLATIVE LABOR RELATIONS

General Fund—State Appropriation (FY 2023)	\$947,000
TOTAL APPROPRIATION	\$947,000

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

(1) \$947,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of House Bill No. 2124 (legislative employee collective bargaining). If the bill is not enacted by June 30, 2022, the amounts provided in this section shall lapse.

(2) Prior to the appointment of a director of the office of state legislative labor relations, the chief clerk of the house of representatives and the secretary of the senate may jointly authorize the expenditure of these funds to facilitate the establishment of the office.

Sec. 107. 2021 c 334 s 106 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE STATE ACTUARY

General Fund—State Appropriation (FY 2022)	\$367,000
General Fund—State Appropriation (FY 2023)	(((\$382,000)) \$391,000
State Health Care Authority Administrative Account— State Appropriation	(((\$249,000)) \$254,000
Department of Retirement Systems Expense Account— State Appropriation	(((\$6,095,000)) \$6,191,000
School Employees' Insurance Administrative Account— State Appropriation	\$250,000
TOTAL APPROPRIATION	(((\$7,343,000)) \$7,453,000

Sec. 108. 2021 c 334 s 107 (uncodified) is amended to read as follows:

FOR THE STATUTE LAW COMMITTEE

General Fund—State Appropriation (FY 2022)	(((\$5,366,000)) \$5,367,000
General Fund—State Appropriation (FY 2023)	(((\$5,766,000)) \$5,917,000
TOTAL APPROPRIATION	(((\$11,132,000)) \$11,284,000

Sec. 109. 2021 c 334 s 108 (uncodified) is amended to read as follows:

FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES

General Fund—State Appropriation (FY 2022)	\$4,566,000
General Fund—State Appropriation (FY 2023)	(((\$5,029,000))

TOTAL APPROPRIATION \$5,169,000
 (((\$9,595,000))
\$9,735,000

Sec. 110. 2021 c 334 s 111 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2022)(((\$9,781,000))
\$9,746,000
 General Fund—State Appropriation (FY 2023)(((\$9,848,000))
\$11,032,000
 TOTAL APPROPRIATION (((\$19,629,000))
\$20,778,000

Sec. 111. 2021 c 334 s 112 (uncodified) is amended to read as follows:

FOR THE LAW LIBRARY

General Fund—State Appropriation (FY 2022)(((\$1,811,000))
\$1,793,000
 General Fund—State Appropriation (FY 2023)(((\$1,821,000))
\$1,934,000
 TOTAL APPROPRIATION (((\$3,632,000))
\$3,727,000

Sec. 112. 2021 c 334 s 113 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund—State Appropriation (FY 2022)(((\$1,650,000))
\$1,638,000
 General Fund—State Appropriation (FY 2023)(((\$1,649,000))
\$1,686,000
 TOTAL APPROPRIATION (((\$3,299,000))
\$3,324,000

Sec. 113. 2021 c 334 s 114 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2022)
 (((\$21,818,000))
\$21,709,000
 General Fund—State Appropriation (FY 2023)
 (((\$22,146,000))
\$22,673,000
 TOTAL APPROPRIATION (((\$43,964,000))
\$44,382,000

Sec. 114. 2021 c 334 s 115 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2022)
 (((\$157,168,000))
\$86,711,000
 General Fund—State Appropriation (FY 2023)
 (((\$81,033,000))
\$118,611,000
 General Fund—Federal Appropriation (((\$2,209,000))
\$3,994,000
 General Fund—Private/Local Appropriation \$681,000
 Judicial Stabilization Trust Account—State Appropriation
 (((\$6,692,000))
\$119,442,000
 Judicial Information Systems Account—State Appropriation
 (((\$60,664,000))
\$61,471,000
 TOTAL APPROPRIATION (((\$308,447,000))
\$390,910,000

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

(1) The distributions made under this section and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate

reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(2)(a) \$7,000,000 of the general fund—state appropriation for fiscal year 2022 and \$7,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for distribution to county juvenile court administrators for the costs associated with processing and case management of truancy, children in need of services, and at-risk youth referrals. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula must neither reward counties with higher than average per-petition/referral processing costs nor shall it penalize counties with lower than average per-petition/referral processing costs.

(b) Each fiscal year during the 2021-2023 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives and senate fiscal committees no later than 60 days after a fiscal year ends. These reports are informational in nature and are not for the purpose of distributing funds.

(3) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for providing all courts with an electronic demographic survey for jurors who begin a jury term. The survey must collect data on each juror's race, ethnicity, age, sex, employment status, educational attainment, and income, as well as any other data approved by order of the chief justice of the Washington state supreme court. This electronic data gathering must be conducted and reported in a manner that preserves juror anonymity. The administrative office of the courts shall provide this demographic data in a report to the governor and the appropriate committees of the legislature, and publish a copy of the report on a publicly available internet address by June 30, 2023.

(4)(a) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the center for court research at the administrative office of the courts to review the number and types of young individuals placed on electronic home monitoring over a 10 year time period. The center for court research shall work in collaboration with the Washington state partnership council on juvenile justice and the juvenile block grant proviso committee (which includes a representative from the juvenile rehabilitation administration, the office of the administrator of the courts, the office of financial management, and the juvenile courts) to identify the number of individuals under the age of 26 that have been placed on electronic home monitoring by the department of children, youth, and families and the number of individuals placed on electronic home monitoring by or through juvenile courts from the year 2010 through 2020. At a minimum, the study must identify:

(i) How electronic home monitoring is defined and used by each entity;

(ii) The various types of electronic home monitoring services and the equipment used by each entity;

(iii) Whether the type of electronic home monitoring equipment used is different depending upon the age or type of the offender;

(iv) Whether the state or local entity provides the supervision and monitoring of individuals placed on electronic home monitoring or whether the supervision and monitoring are

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contracted services;

(v) By age, demographics, ethnicity, and race, the number of individuals that participated on electronic home monitoring each year;

(vi) By age, the offense committed that resulted in the individual being placed on electronic home monitoring, and the average duration of time individuals spent on electronic home monitoring; and

(vii) Whether electronic home monitoring was used as an alternative to or in lieu of incarceration or whether electronic home monitoring was used in addition to incarceration.

(b) The center for court research must complete a preliminary report by June 30, 2022, and submit a final report to the appropriate committees of the legislature by June 30, 2023.

(5) ((\$44,500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to assist counties with costs of resentencing and vacating the sentences of defendants whose convictions or sentences are affected by the *State v. Blake* decision. Subject to the availability of amounts provided in this section, the office must provide grants to counties that demonstrate extraordinary judicial, prosecution, or defense expenses for those purposes. The office must establish an application process for county clerks to seek funding and an equitable prioritization process for distributing the funding.

(6) \$23,500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to establish a legal financial obligation aid pool to assist counties that are obligated to refund legal financial obligations previously paid by defendants whose convictions or sentences were affected by the *State v. Blake* ruling. County clerks may apply to the administrative office of the courts for a grant from the pool to assist with extraordinary costs of these refunds. State aid payments made to a county from the pool must first be attributed to any legal financial obligations refunded by the county on behalf of the state. The office must establish an application process for county clerks to seek funding and an equitable prioritization process for distributing the funding.

(7)) \$44,500,000 of the judicial stabilization trust account—state appropriation is provided solely to assist counties with costs of complying with the *State v. Blake* decision that arise from the county's role in operating the state's criminal justice system, including resentencing, vacating prior convictions for simple drug possession, and certifying refunds of legal financial obligations and collections costs. The office shall contract with counties for judicial, clerk, and prosecution expenses for these purposes.

(6) \$46,750,000 of the judicial stabilization trust account—state appropriation is provided solely to establish a legal financial obligation aid pool for counties to refund legal financial obligations and collection costs previously paid by defendants whose convictions have been vacated by court order due to the *State v. Blake* ruling. Once a direct refund process is established, superior court clerks or district court administrators must certify, and send to the office, the amount of any refund ordered by the court.

(7) ((\$1,782,000)) \$1,665,000 of the general fund—state appropriation for fiscal year 2022 and \$749,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1320 (civil protection orders). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(8) \$68,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute House Bill No. 1219 (youth counsel-

dependency). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$110,000 of the general fund—state appropriation for fiscal year 2022 and \$165,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of House Bill No. 1167 (Thurston county superior court judge). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(10) \$1,094,000 of the general fund—state appropriation for fiscal year 2022 and \$1,094,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the statewide fiscal impact on Thurston county courts. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

(11) \$4,505,000 of the general fund—state appropriation for fiscal year 2022 and ((\$4,505,000)) \$7,505,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5160 (landlord-tenant relations), including the management of an eviction resolution pilot program. By June 30, 2022, the ((department)) administrative office of the courts shall provide to the legislature a detailed report of eviction resolution program expenditures and outcomes including but not limited to ((the number of dispute resolution centers participating in the program.)) the number of individuals served by dispute resolution centers in the program, the average cost of resolution proceedings, and the number of qualified individuals who applied but were unable to be served by dispute resolution centers due to lack of funding or other reasons. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)) Funding under this subsection for the eviction resolution pilot program is not subject to or conditioned upon adoption of a standing judicial order of an individual superior court.

(12) \$325,000 of the general fund—state appropriation for fiscal year 2022 and \$304,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute Senate Bill No. 5331 (early childhood court program). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(13) \$44,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5226 (license suspensions/traffic). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(14) ((\$8,000,000)) \$3,000,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$3,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for distribution to local courts for costs associated with the court-appointed attorney and visitor requirements set forth in the uniform guardianship act in chapter 11.130 RCW. If the amount provided in this subsection is insufficient to fully fund the local court costs, distributions must be reduced on a proportional basis to ensure that expenditures remain within the available funds provided in this subsection. No later than December 31, ((2021)) 2022, the administrative office of the courts will provide a report on distributions to local courts including, but not limited to, the amount provided to each court, the number of guardianship cases funded at each court, costs segregated by attorney appointments and court visitor appointments, the amount of any pro rata reductions, and a recommendation on how to forecast distributions for potential future funding by the legislature.

(15) \$375,000 of the general fund—state appropriation for fiscal year 2022 and ((\$285,000)) \$3,185,000 of the general fund—state appropriation for fiscal year 2023 are provided solely

for lease expenses and costs to relocate staff from the temple of justice to another workspace if the omnibus capital appropriation act provides funding for improvements to the heating, ventilation, lighting, and plumbing improvements to the temple of justice. Staff from the administrative office of the courts shall work with the department of enterprise services and the office of financial management to acquire temporary space in a state owned facility that meets the needs of the supreme court. If a state facility cannot be found, the court may acquire temporary workspace as it chooses.

(16) \$63,000 of the general fund—state appropriation for fiscal year 2022 and \$251,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to facilitate and coordinate the scheduling of resentencing hearings for individuals impacted by the *State v. Blake* decision.

(17) \$830,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to address data quality issues across Washington state court management systems.

(18) \$2,050,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for assistance to trial courts across the state to address the trial court backlog created by the pandemic through the use of pro tem judges and backlog coordinators.

(19) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for audio visual upgrades in courtrooms across the state.

(20) \$2,500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for distribution to the trial courts to address impacts of the COVID-19 pandemic.

(21) \$4,900,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the administrative office of the courts to provide grant funding for the creation of new therapeutic courts or the expansion of services being provided to an existing therapeutic court. For purposes of this subsection, "therapeutic court" has the meaning defined in RCW 2.30.020. Funding provided under this subsection may not supplant existing funds utilized for this purpose.

(22) \$2,469,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the administrative office of the courts to support community justice counselors and community coordinators that work with municipal and district court drug and therapeutic court programs. The community justice counselors and community coordinators are responsible for working with court participants to ensure connection to community services and existing resources to support completion of court requirements. Funding must be used for a minimum of four municipal court programs, with at least two programs located east of the Cascade mountains and two programs located west of the Cascade mountains, including Spokane county and Snohomish county. Funding may also be used for additional supports for participants, including bus passes and other transportation assistance, basic cell phones and phone cards, and translation services. Counties and cities that receive funding must provide a report back to the administrative office of the courts that shows how funds were expended.

(23) \$520,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to establish pilot self-help centers in two courthouses, one on each side of the state.

(24) \$82,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5490 (interbranch advisory committee). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(25) \$341,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5575 (superior court judges in

Snohomish county). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(26) \$116,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Senate Bill No. 5788 (minor guardianship). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(27) \$26,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1773 (assisted outpatient treatment). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(28) \$502,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1901 (civil protection orders). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(29) \$2,025,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for activities of the office relating to the resentencing of individuals and refund of legal financial obligations and costs associated with the *State v. Blake* ruling. In addition to contracting with cities and counties for the disbursement of funds appropriated for resentencing costs, the office must:

(a) Collaborate with superior court clerks, district court administrators, and municipal court administrators to prepare comprehensive reports, based on available court records, of all cause numbers impacted by *State v. Blake* going back to 1971; and

(b) Establish a process to locate and notify individuals of available refunds and notify those individuals of the application process necessary to claim the refund and issue payment from the legal financial obligation aid pool upon submission and approval of applications. The office shall continue to reimburse counties for any legal and financial obligation refunds made pursuant to a court order pending the implementation of a direct refund process.

(30) \$131,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a court policy analyst position to support the district and municipal court judges' association. The court policy analyst position must assist with the development, implementation, monitoring, and evaluation of district and municipal court programs, court operations, and court costs that relate to the *State v. Blake* decision.

(31) \$11,500,000 of the judicial stabilization trust account—state appropriation is provided solely to assist cities with costs of complying with the *State v. Blake* ruling that arise from the city's role in operating the municipal criminal justice system, including resentencing, vacating prior convictions for simple drug possession, and certifying refunds of legal financial obligations and collections costs. The office shall contract with cities for judicial, clerk, prosecution, and defense expenses for these purposes.

(32) \$10,000,000 of the judicial stabilization trust account—state appropriation is provided solely to establish a legal financial obligation aid pool for cities to refund legal financial obligations and collection costs previously paid by defendants whose convictions have been vacated by court order due to the *State v. Blake* ruling. Once a direct refund process is established, municipal administrators must certify, and send to the office, the amount of any refund ordered by the court.

(33) \$1,892,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for distribution to counties to help cover the cost of electronic monitoring with victim notification technology when an individual seeking a protection order requests electronic monitoring with victim notification technology from the court and the respondent is unable to pay.

(34) \$266,000 of the general fund—state appropriation for

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fiscal year 2023 is provided solely for pass-through funding to the Washington association of child advocate programs to hire and coordinate AmeriCorps members to assist in community-based recruitment activities to promote child advocates and the need for volunteers, develop and distribute recruitment materials, and assist volunteers in preparing for required training. No later than June 30, 2023, the Washington association of child advocate programs must submit a report to the appropriate committees of the legislature on the efficacy of the program in recruiting volunteers.

(35) \$1,785,000 of the general fund—federal appropriation (CRF) is provided solely for COVID-19 response expenditures in fiscal year 2022. This funding expires December 31, 2021.

Sec. 115. 2021 c 334 s 116 (uncodified) is amended to read as follows:

FOR THE OFFICE OF PUBLIC DEFENSE

General Fund—State Appropriation (FY 2022)	(\$53,975,000)
	<u>\$54,491,000</u>
General Fund—State Appropriation (FY 2023)	((\$54,202,000))
	<u>\$58,566,000</u>
General Fund—Federal Appropriation	\$362,000
General Fund—Private/Local Appropriation	\$30,000
Judicial Stabilization Trust Account—State Appropriation	((\$3,896,000))
	<u>\$3,907,000</u>
TOTAL APPROPRIATION	((\$112,465,000))
	<u>\$117,356,000</u>

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

(1) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of public defense to contract with a free legal clinic that has a medical-legal partnership and that currently provides parent representation to at-risk clients in dependency cases in Snohomish, Skagit, and King counties. Within amounts appropriated, the clinic must provide legal representation to parents who are pregnant or recently postpartum who are at risk of child abuse or neglect reports or investigations.

(2) \$900,000 of the general fund—state appropriation for fiscal year 2022 and \$900,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the purpose of improving the quality of trial court public defense services. The office of public defense must allocate these amounts so that \$450,000 per fiscal year is distributed to counties, and \$450,000 per fiscal year is distributed to cities, for grants under chapter 10.101 RCW.

(3) \$5,000 of the general fund—state appropriation for fiscal year 2022 and \$14,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute House Bill No. 1219 (youth counsel-dependency). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(4) \$443,000 of the general fund—state appropriation for fiscal year 2022 and \$683,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute House Bill No. 1140 (juvenile access to attorneys). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$5,500,000 of the general fund—state appropriation for fiscal year 2022 and \$5,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to assist counties with public defense costs related to vacating the

sentences of defendants whose convictions or sentences are affected by the *State v. Blake* decision. Of the amounts provided in this subsection:

(a) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of public defense to provide statewide attorney training, technical assistance, data analysis and reporting, and quality oversight and for administering financial assistance for public defense costs related to *State v. Blake* impacts; and

(b) \$5,100,000 of the general fund—state appropriation for fiscal year 2022 and \$5,100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants allocated for public defense assistance. The allocation of grant funding shall be determined based upon a formula as established by the office of public defense, and must be provided: (i) To assist counties providing counsel for clients seeking to vacate a sentence or to be resentenced under the *State v. Blake* decision; and (ii) to assist counties that may designate the office of public defense to contract directly with attorneys to represent and assist clients seeking to vacate a sentence or to be resentenced under the *State v. Blake* decision.

(6) \$286,000 of the general fund—state appropriation for fiscal year 2022 and \$1,008,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of a triage team to provide statewide support to the management and flow of hearings for individuals impacted by the *State v. Blake* decision.

(7) \$153,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to cover fees charged by county clerks for electronic access to court documents for staff and contracted public defense attorneys.

(8) \$20,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of public defense to research and develop a proposal to assume the effective and efficient statewide administration of legal defense services for indigent persons who are involved in proceedings under chapter 10.77 RCW (criminally insane). By December 1, 2022, the office of public defense shall submit the proposal to the appropriate policy and fiscal committees of the legislature.

(a) In developing its proposal, the office of public defense must consult with interested persons, including local public defense agencies, the Washington defender association, the Washington association of criminal defense lawyers, the administrative office of the courts, the Washington association of prosecuting attorneys, disability rights Washington, current and former patients at eastern state hospital and western state hospital, the superior court judges association, the Washington state association of counties, the public safety review panel, and the department of social and health services.

(b) The office of public defense may provide a stipend for travel and other expenses to stakeholders for time spent participating in focus groups or interviews. The office may not provide a stipend to any public employees or to other stakeholders participating within the scope of their employment.

(c) At a minimum, the proposal should identify:

(i) Procedures to manage costs and require accountability consistent with the right to counsel under both the United States Constitution and the Washington state Constitution;

(ii) Statutory amendments necessary to implement the proposal;

(iii) Appropriate practice standards for defense of indigent persons involved in proceedings under chapter 10.77 RCW, including procedures to implement representation consistent with *State v. Fletcher*, No. 33810-0-III (Wn. Ct. App., Mar. 16, 2017);

(iv) An estimated number of attorneys and defense social workers statewide who are qualified to provide effective defense representation in these cases, an estimate of reasonable compensation for attorneys and social workers, and estimated annual costs of investigative and expert services required in these cases;

(v) The total cost necessary to implement the proposal statewide for the 2023-2025 fiscal biennium, including all staffing and administrative costs for the office of public defense administration; and

(vi) Possible savings to the state and counties that might result from implementing the proposal.

(9) \$41,000 of the general fund—state appropriation for fiscal year 2022 and \$286,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for two managing attorney positions within the office of public defense.

Sec. 116. 2021 c 334 s 117 (uncodified) is amended to read as follows:

FOR THE OFFICE OF CIVIL LEGAL AID

General Fund—State	Appropriation (FY 2022)	(\$41,280,000)
		<u>\$41,710,000</u>
General Fund—State	Appropriation (FY 2023)	(\$42,685,000)
		<u>\$51,001,000</u>
General Fund—Federal	Appropriation	\$379,000
Judicial Stabilization Trust Account—State	Appropriation	\$1,464,000
TOTAL APPROPRIATION		(\$85,808,000)
		<u>\$94,554,000</u>

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

(1) An amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2022 and an amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2023 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2) (a) through (k) regardless of household income or asset level.

(2) The office of civil legal aid shall enter into an interagency agreement with the department of children, youth, and families to facilitate the use of federal title IV-E reimbursement for child representation services.

(3) \$568,000 of the general fund—state appropriation for fiscal year 2022 is appropriated solely to continue and expand civil legal representation for tenants in eviction cases.

(4) Up to \$165,000 of the general fund—state appropriation for fiscal year 2022 may be used to wind down the children's representation study authorized in section 28, chapter 20, Laws of 2017 3rd sp. sess.

(5) \$5,440,000 of the general fund—state appropriation for fiscal year 2022 and \$5,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to continue civil legal assistance to individuals and families directly and indirectly affected by the COVID-19 pandemic and its related health, social, economic, legal, and related consequences.

(6) \$159,000 of the general fund—state appropriation for fiscal year 2022 and \$1,511,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute House Bill No. 1219 (youth counsel/dependency). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(7) ((\$10,772,000)) \$11,122,000 of the general fund—state appropriation for fiscal year 2022 and ((\$11,478,000)) \$12,957,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed

Second Substitute Senate Bill No. 5160 (landlord-tenant relations), including representation of indigent tenants in unlawful detainer cases. By June 30, 2022, the department shall provide to the legislature a detailed report of program expenditures and outcomes including but not limited to the number of individuals served, the average cost of a representation case, and the number of qualified individuals who qualified for but were unable to receive representation for funding or other reasons. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(8) \$600,000 of the general fund—state appropriation for fiscal year 2022 and ((\$600,000)) \$2,250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to ((provide)) continue and expand online automated plain language forms, outreach, education, technical assistance, and ((some)) legal assistance to help resolve civil matters ((surrounding)) relating to legal financial obligations and vacating the sentences of defendants whose convictions or sentences are affected by the *State v. Blake* decision.

(9) \$78,000 of the general fund—state appropriation for fiscal year 2022 and \$313,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of civil legal aid to cover the cost of contract adjustments necessary to conform attorney contracting practices with applicable caseload standards established by the supreme court commission on children in foster care.

(10) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to support civil legal information, advice, and representation to tenants at risk of eviction and against whom an unlawful detainer action has not yet been commenced.

(11) \$350,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the office of civil legal aid to establish a legal advice phone line to provide guidance and legal advice for kinship caregivers. The phone line must be staffed by two FTE contracted attorneys that have experience with kinship care, guardianship statutes, the child welfare system, and issues relating to legal custody.

(12) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of legal aid to expand civil legal aid services for survivors of domestic violence, including legal services for protection order proceedings, family law cases, immigration assistance, and other civil legal issues arising from or related to the domestic violence they experienced.

(13) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of civil legal aid to expand the statewide reentry legal aid project as established in section 115(12), chapter 357, Laws of 2020.

Sec. 117. 2021 c 334 s 118 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE GOVERNOR

General Fund—State	Appropriation (FY 2022)	(\$11,093,000)
		<u>\$11,766,000</u>
General Fund—State	Appropriation (FY 2023)	(\$10,920,000)
		<u>\$16,207,000</u>
Economic Development Strategic Reserve Account—State	Appropriation	\$5,000,000
TOTAL APPROPRIATION		(\$27,013,000)
		<u>\$32,973,000</u>

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

(1) ((\$703,000)) \$917,000 of the general fund—state appropriation for fiscal year 2022 and ((\$803,000)) \$1,146,000 of the general fund—state appropriation for fiscal year 2023 are

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provided solely for the office of the education ombuds.

(2) \$1,289,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,289,000)) \$3,545,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement the provisions of chapter 332, Laws of 2020 (state equity office).

(3) \$123,000 of the general fund—state appropriation for fiscal year 2022 and \$118,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5119 (individuals in custody). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(4) ((\$230,000)) \$180,000 of the general fund—state appropriation for fiscal year 2022 and ((\$120,000)) \$209,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5126 (climate commitment act). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$33,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office of the education ombuds to support the language access work group that is reconvened and expanded in section 501(3)(g) of this act.

(6)(a) \$20,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the Washington state LGBTQ commission, in collaboration with the health care authority, department of health, advocates for people living with HIV in Washington, consumers, and medical professionals with expertise in serving the medicaid population living with HIV, to consider and develop recommendations regarding:

(i) Access to HIV antiretroviral drugs on the medicaid drug formulary, including short- and long-term fiscal implications of eliminating current prior authorization and fail-first requirements;

(ii) Impact of drug access on public health and the statewide goal of reducing HIV transmissions; and

(iii) Maximizing pharmaceutical drug rebates for HIV antiretroviral drugs.

(b) The commission shall submit a brief report with recommendations to the appropriate committees of the legislature by November 1, 2021.

(7) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the cost to support the blue ribbon commission on the intersection of the criminal justice and behavioral health crisis systems that will be established by governor executive order.

(8) Within the amounts appropriated in this section, the Washington state office of equity must cofacilitate the Washington digital equity forum, as provided in section 129(70) of this act, with the statewide broadband office.

(9) \$80,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of equity to develop resources and provide technical assistance to state agencies on best practices on how to engage communities regarding equity and inclusion when creating equitable budget and policy recommendations.

(10) \$350,000 of the general fund—state appropriation for fiscal year 2022 and \$25,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to complete an analysis on options to replace the benefits of the four lower Snake river dams as part of a comprehensive salmon recovery strategy for the Columbia and Snake river basins. The analysis shall be completed by July 30, 2022.

(11) Within the amounts appropriated in this section, the governor's office must convene a clean energy workforce

transition work group including, but not limited to, the department of commerce, the department of ecology, the employment security department, and representatives of business and labor. The work group must assess workforce development impacts of the effects of climate change as well as the impact of the state's strategies to building a just transition to a clean economy and develop policy and practice recommendations on emerging issues in workforce development related to climate change. By December 1, 2022, the work group must submit its report and recommendations to the appropriate committees of the legislature in an electronic format as required by RCW 43.01.036.

(12) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the governor to invite federally recognized tribes, legislative leadership, local governments, agricultural producers, commercial and recreational fisher organizations, business organizations, salmon recovery organizations, forestry and agriculture organizations, and environmental organizations to participate in a process facilitated by an independent entity to develop recommendations on proposed changes in policy and spending priorities to improve riparian habitat to ensure salmon and steelhead recovery.

(a) The recommendations must include:

(i) Ideas for improvements to land use planning and development that ensure the protection and recovery of salmon;

(ii) Standards to protect areas adjacent to streams and rivers;

(iii) Standards to restore areas adjacent to streams and rivers;

(iv) Financial incentives for landowners to protect and restore streamside habitat;

(v) Recommendations to improve salmon recovery program coordination among state agencies; and

(vi) Recommendations for additional changes when voluntary measures and financial incentives do not achieve streamside protection and restoration.

(b) Preliminary recommendations shall be submitted to the legislature and governor by October 1, 2022, with a final report by November 1, 2022.

(c) The office of the governor may contract for an independent facilitator. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.

(13) \$207,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of equity to address additional workload created by legislation enacted during the 2021 legislative session.

(14) \$609,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of equity to establish and support a community engagement board.

(15) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$160,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of equity to collaborate with the commission on African American affairs, the commission on Asian Pacific American affairs, the commission on Hispanic affairs, and the governor's office of Indian affairs to engage contractors to conduct the analyses funded in sections 121(4), 122(1), 122(2), 133, and 134(2) of this act.

(16) \$175,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1723 (digital equity act). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 118. 2021 c 334 s 119 (uncodified) is amended to read as follows:

FOR THE LIEUTENANT GOVERNOR

General Fund—State Appropriation (FY 2022)(((\$1,880,000))
\$1,863,000

General Fund—State Appropriation (FY 2023)	(((\$1,598,000))
	<u>\$1,456,000</u>
General Fund—Private/Local Appropriation	\$90,000
TOTAL APPROPRIATION	(((\$3,568,000))
	<u>\$3,409,000</u>

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

(1) \$300,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the legislative committee on economic development and international relations to conduct a business competitiveness analysis of the state's economy. Expenditure of the amount provided in this section must comply with chapter 39.26 RCW.

(2) \$13,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5756 (semiquincentennial committee). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 119. 2021 c 334 s 120 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2022)	(((\$5,724,000))
	<u>\$5,745,000</u>
General Fund—State Appropriation (FY 2023)	(((\$5,545,000))
	<u>\$5,991,000</u>
Public Disclosure Transparency Account—State Appropriation	(((\$1,014,000))
	<u>\$934,000</u>
TOTAL APPROPRIATION	(((\$12,283,000))
	<u>\$12,670,000</u>

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

(1) \$280,000 of the public disclosure transparency account—state appropriation is provided solely for staff for business analysis and project management of information technology projects.

(2) No moneys may be expended from the appropriations in this section to establish an electronic directory, archive, or other compilation of political advertising unless explicitly authorized by the legislature.

(3) \$424,000 of the public disclosure transparency account—state appropriation is provided solely for information technology staffing to meet the demands of maintaining online filing and disclosure systems.

(4) \$180,000 of the public disclosure transparency account—state appropriation is provided solely for a dedicated training and outreach staff to develop course materials and facilitate the creation of an expanded filer training program.

Sec. 120. 2021 c 334 s 121 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2022)	(((\$20,922,000))
	<u>\$22,662,000</u>
General Fund—State Appropriation (FY 2023)	(((\$31,158,000))
	<u>\$49,118,000</u>
General Fund—Federal Appropriation	(((\$12,760,000))
	<u>\$12,894,000</u>
Public Records Efficiency, Preservation, and Access Account—State Appropriation	(((\$10,005,000))
	<u>\$10,606,000</u>
Charitable Organization Education Account—State Appropriation	(((\$901,000))
	<u>\$1,367,000</u>
Washington State Library Operations Account—State	

Appropriation	(((\$11,698,000))
	<u>\$14,607,000</u>
Local Government Archives Account—State Appropriation	(((\$10,120,000))
	<u>\$10,937,000</u>
Election Account—Federal Appropriation	(((\$4,368,000))
	<u>\$4,401,000</u>
<u>Coronavirus State Fiscal Recovery Fund—Federal Appropriation</u>	<u>\$405,000</u>
<u>Personnel Service Account—State Appropriation</u>	<u>\$1,276,000</u>
TOTAL APPROPRIATION	(((\$101,932,000))
	<u>\$128,273,000</u>

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

(1) \$2,498,000 of the general fund—state appropriation for fiscal year 2022 and \$12,196,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those costs that the secretary of state validates as eligible for reimbursement.

(2)(a) \$3,051,500 of the general fund—state appropriation for fiscal year 2022 and \$3,051,500 of the general fund—state appropriation for fiscal year 2023 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2021-2023 fiscal biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(3) Any reductions to funding for the Washington talking book and Braille library may not exceed in proportion any reductions taken to the funding for the library as a whole.

(4) \$75,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for humanities Washington speaker's bureau community conversations.

(5) \$114,000 of the general fund—state appropriation for fiscal year 2022 and \$114,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for election reconciliation

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reporting. Funding provides for one staff to compile county reconciliation reports, analyze the data, and to complete an annual statewide election reconciliation report for every state primary and general election. The report must be submitted annually on July 31, beginning July 31, 2021, to legislative policy and fiscal committees. The annual report must include statewide analysis and by county analysis on the reasons for ballot rejection and an analysis of the ways ballots are received, counted, rejected and cure data that can be used by policymakers to better understand election administration.

(6) \$546,000 of the general fund—state appropriation for fiscal year 2022 and \$546,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for staff dedicated to the maintenance and operations of the voter registration and election management system. These staff will manage database upgrades, database maintenance, system training and support to counties, and the triage and customer service to system users.

(7) \$626,000 of the public records efficiency, preservation, and access account—state appropriation is provided solely for additional project staff to pack, catalog, and move the states archival collection in preparation for the move to the new library archives building that will be located in Tumwater.

(8) Within existing resources, the office of the secretary of state must research and evaluate availability of online trainings to include, but not be limited to, job-related, educational, and information technology trainings that are available free of charge. The office must compare those to the online trainings available from the Microsoft linked in academy. The office must report the comparative findings to fiscal committees of the legislature by September 1, 2022.

(9) \$251,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Substitute Senate Bill No. 5034 (nonprofit corporations). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(10) \$269,000 of the government archives account—state appropriation is provided solely for implementation of Senate Bill No. 5019 (recording standards commission). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(11) \$1,000,000 of the general fund—federal appropriation (ARPA) is provided solely for humanities Washington to provide grants to humanities organizations in Washington state pursuant to the American rescue plan act of 2021, P.L. 117-2. Of the amounts provided in this subsection:

(a) Forty percent must be used for grants to state humanities organizations' programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from coronavirus; and

(b) Sixty percent must be used for direct grants, and relevant administrative expenses, that support humanities organizations' programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from coronavirus.

(12) \$3,600,000 of the general fund—federal appropriation (ARPA) is provided to the state library as the designated state library administrative agency solely to administer and distribute institute of museum and library services grants to museums, tribal partners, and libraries for eligible expenses and services. Pursuant to federal directive, no more than four percent of distributed funds may be held for grant administration.

(13) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$4,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for

educational outreach related to voter registration, voting, and elections; and to improve access to voting and the election process.

(14) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$700,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a contract with humanities Washington to expand the prime time family reading program.

(15) \$8,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for:

(a) Funding the security operations center, including identified needs for expanded operations, systems, technology tools, training resources;

(b) Additional staff dedicated to the cyber and physical security of election operations at the office and county election offices;

(c) Expanding security assessments, threat monitoring, enhanced security training; and

(d) Providing grants to county partners to address identified threats and expand existing grants and contracts with other public and private organizations such as the Washington military department, national guard, private companies providing cyber security, and county election offices.

(16) \$1,276,000 of the personnel service account—state appropriation is provided solely for administration of the productivity board established in chapter 41.60 RCW. The secretary of state shall convene the first meeting of the board by September 1, 2022. By June 30, 2023, the board must provide the legislature and all other state agencies with a topical list of all productivity awards granted in fiscal year 2023 for the purpose of providing agencies with the opportunity to adopt or modify for agency use the suggestions identified by awardees.

(17) \$405,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for TVW equipment upgrades, including new encoders and router cards, and a refresh of its robotics system.

(18) \$55,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for upgrading technology and usefulness of a conference room in the main office of the secretary of state with modern telecommunications tools and technology and increasing privacy.

(19) \$25,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementing a voter registration system in conjunction with the department of licensing, department of social and health services, health benefit exchange, and county election officials by December 31, 2023, that uses information and documentation already presented by eligible agency customers to automatically transmit information necessary for voter registration and voter registration updates, and enables applicants to make a decision about voter registration and any necessary corrections by returning a notice mailed by election officials. The proposal shall consider upgraded systems implemented in Colorado and other states to enact this change in their voter registration system in 2022. Recommendations must be developed with the full participation of community organizations that work in support of civic engagement. The secretary shall present their recommendations, and any barriers to their implementation, to the legislature by December 1, 2022.

(20) \$2,534,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to counties to support voter registration and voting within county jails. Grants may be used to develop and implement a plan to increase voting amongst the jail population, create voting materials specific to the jail population, purchase supplies and equipment for voting in jails, and provide direct staffing in jails to support voting activities. Each county grantee must submit a postelection report

by February 1, 2023, to the secretary of state detailing the use of grant funding, evaluation of the grant's overall effectiveness in achieving its objective to increase voter registration and voting of the jailed population, and recommendations regarding best practices and law changes, if needed. Of the amounts provided in this subsection, up to \$100,000 may be used for the office of the secretary of state to compile the reports received in this subsection into a single report. The report must include an analysis of the county grant projects, including recommended policies and procedures for county jails regarding inmate voting. The report must be delivered to the governor and legislature by June 30, 2023.

(21) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided to the state library to develop a digital literacy assessment tool and protocol to be used by organizations that provide digital literacy support; conduct a baseline assessment of digital readiness for a representative sample of Washington residents; and publish the assessment tool, protocol, and baseline assessment findings on the state library website for public use by June 1, 2023. The office must also submit a report to the governor and legislature by June 1, 2023, that describes the tool, protocol, and assessment findings.

(22) \$250,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office to contract with the University of Washington Evans school of public policy and governance to review the data used in the 2022 state auditor's performance audit titled "evaluating Washington's ballot rejection rates," which found that voters from certain counties, younger voters, male voters, Black voters, Native American voters, and Latino voters were more likely to have their ballots rejected. The review must include an analysis of: (a) Voter interaction with the vote-by-mail and ballot return process; (b) circumstances in which voted returned ballots are not accepted due to signature mismatch, including whether the ballot was rejected due to late return, a signature by another person, a blank signature line, a different name used, or the signature could not conclude that the voter was the signatory; (c) processes used by county election offices to allow voters to cure ballots; (d) methods in which counties collect, maintain, and update voter signatures on file; (e) communication with voters concerning how to prepare and return a voted ballot for counting; (f) best practices for curing rejected signatures; and (e) education and outreach methods emphasizing the importance of voter signatures on voted returned ballots with a focus on increasing successful voting. The results of the analysis must be reported to the governor and the appropriate committees of the legislature by October 15, 2022.

(23) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1835 (postsecondary enrollment). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(24) \$1,000 is for implementation of Engrossed Substitute House Bill No. 1357 (voters' pamphlets overseas).

Sec. 121. 2021 c 334 s 122 (uncodified) is amended to read as follows:

FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS

General Fund—State Appropriation (FY 2022)	(\$905,000))
	\$943,000
General Fund—State Appropriation (FY 2023)	(\$401,000))
	\$1,159,000
TOTAL APPROPRIATION	(\$1,306,000))
	\$2,102,000

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

(1) The office shall assist the department of enterprise services

on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of enterprise services shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

(2) \$500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the governor's office of Indian affairs to engage in a process to develop recommendations on improving executive and legislative tribal relationships. In developing the recommendations, the governor's office of Indian affairs may contract with a third party facilitator.

(a) The governor's office of Indian affairs or the contracted third party must host and facilitate discussions between the executive branch, the legislative branch, and Indian tribes as defined in RCW 43.376.010 to develop the recommendations.

(b) By December 20, 2021, the governor's office of Indian affairs must submit a report of recommendations to the Governor and legislature in accordance with RCW 43.01.036. At a minimum, the report should include recommendations on:

(i) An examination of government-to-government relationship with Indian tribes as in chapter 43.376 RCW;

(ii) The consultation processes; and

(iii) Training to be provided to state agencies and the legislature.

(3)(a) \$350,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the governor's office of Indian affairs to expand capacity of the office to improve state and local executive and tribal relationships. Funds must be used to support:

(i) Consultation with tribes and local governments on implementation of the climate commitment act and growth management act;

(ii) Government-to-government engagement on natural resources, environment, and infrastructure;

(iii) Consultation with tribes and local governments on tribal legal definitions;

(iv) Early engagement on legislative and executive consultation and dispute resolution policy and processes with all agencies; and

(v) Coordination with a third party to facilitate roundtable meetings for agencies, tribes, and stakeholders to assess and provide recommendations in a report for streamlining statewide salmon recovery planning, policy, programs, and budgets. The report should be provided to the appropriate committees in the legislature by June 30, 2023.

(b) The legislature intends to provide additional funding for activities under this subsection (3) in the next fiscal biennium.

(4) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$160,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to collaborate with the office of equity to engage a contractor to conduct a detailed analysis of the opportunity gap for Native American students; analyze the progress in developing effective government-to-government relations and identification and adoption of curriculum regarding tribal history, culture, and government as provided under RCW 28A.345.070; develop recommendations for continuing efforts to close the educational opportunity gap while meeting the state's academic achievement indicators as identified in the state's every student succeeds act consolidated plan; and identify performance measures to monitor adequate yearly progress. The contractor shall submit a study update by December 1, 2022, and submit a final report by June

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30, 2023, to the educational opportunity gap oversight and accountability committee, the governor, the superintendent of public instruction, the state board of education, and the education committees of the legislature.

Sec. 122. 2021 c 334 s 123 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2022)	(((\$448,000))
	\$554,000
General Fund—State Appropriation (FY 2023)	(((\$462,000))
	\$857,000
TOTAL APPROPRIATION	(((\$910,000))
	\$1,411,000

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

(1) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$160,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to collaborate with the office of equity to engage a contractor to conduct a detailed analysis of the opportunity gap for Asian American students; develop recommendations for continuing efforts to close the educational opportunity gap while meeting the state's academic achievement indicators as identified in the state's every student succeeds act consolidated plan; and identify performance measures to monitor adequate yearly progress. The contractor shall submit a study update by December 1, 2022, and submit a final report by June 30, 2023, to the educational opportunity gap oversight and accountability committee, the governor, the superintendent of public instruction, the state board of education, and the education committees of the legislature.

(2) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$160,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to collaborate with the office of equity to engage a contractor to conduct a detailed analysis of the opportunity gap for Native Hawaiian and Pacific Islander students; develop recommendations for continuing efforts to close the educational opportunity gap while meeting the state's academic achievement indicators as identified in the state's every student succeeds act consolidated plan; and identify performance measures to monitor adequate yearly progress. The contractor shall submit a study update by December 1, 2022, and submit a final report by June 30, 2023, to the educational opportunity gap oversight and accountability committee, the governor, the superintendent of public instruction, the state board of education, and the education committees of the legislature.

Sec. 123. 2021 c 334 s 124 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER

General Fund—State Appropriation (FY 2022)	\$250,000
General Fund—State Appropriation (FY 2023)	\$250,000
State Treasurer's Service Account—State Appropriation	(((\$20,375,000))
	\$21,396,000
TOTAL APPROPRIATION	(((\$20,875,000))
	\$21,896,000

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

(1) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1189 (tax increment financing). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(2) \$450,000 of the state treasurer's service account—state appropriation is provided to establish a committee on the program impacts of the Washington future fund "baby bonds" investment model on wealth gaps and provides expenditure authority for one additional FTE for ongoing policy and program analysis. The committee shall consult with experts to study and gather data on inequities including racial wealth gaps in Washington and examine how investment programs such as the Washington future fund program or similar "baby bonds" investment programs can impact wealth inequities and the future financial stability of the Washington state treasury. The committee will analyze the Washington future fund and other "baby bonds" investment models and provide recommendations for program implementation.

(a) At a minimum, the committee will consist of the state treasurer, or the state treasurer's designee, as chair of the committee, one member from each of the two largest caucuses of the senate appointed by the president of the senate, one member from each of the two largest caucuses of the house of representatives appointed by the speaker of the house of representatives, three members from communities with lived experience as appointed by the state treasurer, and three members from economic empowerment organizations as appointed by the state treasurer. The committee will ensure that opportunity for input from interested stakeholders is provided. The state treasurer's office shall provide staff resources and assistance to the committee as needed.

(b) The committee may consult with the state investment board, the Washington health care authority, the Washington state housing finance commission, the department of social and health services, the department of commerce, and other agencies as necessary.

(c) When analyzing the Washington future fund and other "baby bonds" investment models, the committee must:

(i) Study how similar programs have been developed and established in other jurisdictions;

(ii) Address eligibility criteria for account establishment, residency requirements, eligibility for account access, and approved use of funds;

(iii) Address all financial and fiscal aspects of the program, including the long-term costs of establishing the fund, estimated annual appropriations, how funds would be invested and estimated payouts, what agency or agencies would be responsible for management of the accounts, what agency or agencies would be responsible for verifying applicant eligibility, and administrative and technology costs of establishing and maintaining the program; and

(iv) Address any legal barriers or risks in establishing the program including state constitutional limitations and avoiding the creation of fiduciary duties or contractual rights with program participants.

(d) The committee will report on the findings of the data collection, analysis, and any recommendations for legislative action to the legislature by December 1, 2022.

(e) The state treasurer may include these recommendations in draft legislation for the Washington future fund.

Sec. 124. 2021 c 334 s 125 (uncodified) is amended to read as follows:

FOR THE STATE AUDITOR

General Fund—State Appropriation (FY 2022)	(((\$613,000))
	\$463,000
General Fund—State Appropriation (FY 2023)	(((\$1,062,000))
	\$1,812,000
Auditing Services Revolving Account—State Appropriation	(((\$14,456,000))

Performance Audits of Government Account—State Appropriation	<u>\$16,339,000</u> (((\$1,683,000)) <u>\$1,722,000</u>
TOTAL APPROPRIATION	(((\$17,814,000)) <u>\$20,336,000</u>

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

(1) \$1,585,000 of the performance audit of government account—state appropriation is provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state-funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

(2) Within existing resources of the performance audits of government account, the state auditor's office shall conduct a performance audit or accountability audit of Washington charter public schools to satisfy the requirement to contract for an independent performance audit pursuant to RCW 28A.710.030(2).

(3) \$825,000 of the auditing services revolving account—state appropriation is provided solely for accountability and risk based audits.

(4) (((\$585,000)) \$435,000 of the general fund—state appropriation for fiscal year 2022 and (((\$1,030,000)) \$1,180,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1089 (law enforcement audits). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$600,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the state auditor to conduct critical infrastructure penetration test audits on local governments.

(6) By January 31, 2023, the state auditor must provide a publicly accessible searchable system on its website containing the project information and other expenditure information included in the annual report required under RCW 82.14.370(3) for each county. The searchable system must also include the total amount of revenue collected by the county under this section in the prior fiscal year. This searchable system applies to reports filed in 2022 and thereafter.

Sec. 125. 2021 c 334 s 126 (uncodified) is amended to read as follows:

FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund—State Appropriation (FY 2022)	(((\$252,000)) <u>\$251,000</u>
General Fund—State Appropriation (FY 2023)	(((\$279,000)) <u>\$283,000</u>
TOTAL APPROPRIATION	(((\$531,000)) <u>\$534,000</u>

Sec. 126. 2021 c 334 s 127 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund—State Appropriation (FY 2022)	(((\$18,708,000)) <u>\$22,392,000</u>
General Fund—State Appropriation (FY 2023)	(((\$23,379,000)) <u>\$27,543,000</u>
General Fund—Federal Appropriation	(((\$18,226,000)) <u>\$21,913,000</u>

Public Service Revolving Account—State Appropriation
(((\$4,145,000))
\$4,331,000

New Motor Vehicle Arbitration Account—State Appropriation
(((\$1,721,000))
\$1,781,000

Medicaid Fraud Penalty Account—State Appropriation
(((\$5,862,000))
\$6,098,000

Child Rescue Fund—State Appropriation \$80,000
Legal Services Revolving Account—State Appropriation
(((\$300,291,000))
\$340,402,000

Local Government Archives Account—State Appropriation
(((\$1,004,000))
\$1,045,000

Tobacco Prevention and Control Account—State Appropriation \$275,000
((Consumer Privacy Account—State Appropriation
\$1,241,000))

TOTAL APPROPRIATION (((\$374,932,000))
\$425,860,000

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

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs and ranking members of the senate committee on ways and means and the house of representatives committee on appropriations.

(3) The attorney general shall annually report to the fiscal committees of the legislature all new cy pres awards and settlements and all new accounts, disclosing their intended uses, balances, the nature of the claim or account, proposals, and intended timeframes for the expenditure of each amount. The report shall be distributed electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(4) \$161,000 of the general fund—state appropriation for fiscal year 2022 and \$161,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the civil rights unit to provide additional services in defense and protection of civil and constitutional rights for people in Washington.

(5) \$8,392,000 of the legal services revolving account—state appropriation is provided solely for child welfare and permanency staff.

(6) \$617,000 of the general fund—state appropriation for fiscal year 2022 and \$617,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for multi-year arbitrations of the state's diligent enforcement of its obligations to receive amounts withheld from tobacco master settlement agreement payments.

(7) \$1,600,000 of the legal services revolving fund—state appropriation is provided solely for the office to compel the United States department of energy to meet Hanford cleanup

deadlines.

(8) \$28,000 of the legal services revolving fund—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5022 (recycling, waste and litter). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(9) \$584,000 of the legal services revolving fund—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5051 (peace & correction officers). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(10) ((\$1,241,000 of the consumer privacy account—state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5062 (data). If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(11))) \$122,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5096 (capital gains tax). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(12))) (11) \$256,000 of the legal services revolving fund—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5097 (paid leave coverage). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(13) \$170,000)) (12) \$284,000 of the legal services revolving fund—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5126 (climate commitment). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(14))) (13) \$395,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5141 (environmental justice task force). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(15))) (14) \$1,198,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5163 (conditionally released SVPs). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(16))) (15) \$218,000 of the general fund—state appropriation for fiscal year 2022 and \$5,107,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5259 (law enforcement data). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(17) \$1,485,000)) (16) \$693,000 of the general fund—state appropriation for fiscal year 2022 and ((\$958,000)) \$1,750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of a program for receiving and responding to tips from the public regarding risks or potential risks to the safety or well-being of youth, called the YES tip line program. Risks to safety or well-being may include, but are not limited to, harm or threats of harm to self or others, sexual abuse, assault, rape, bullying or cyberbullying, substance use, and criminal acts. Any person contacting the YES tip line, whether for themselves or for another person, must receive timely assistance and not be turned away. The program must operate within the guidelines of this subsection.

(a) During the development and implementation of the YES tip line program the attorney general shall convene an advisory committee consisting of representatives from the Washington state patrol, the department of health, the health care authority, the office of the superintendent of public instruction, the Washington student achievement council, the Washington

association of educational service districts, and other participants the attorney general appoints.

(b) The attorney general shall develop and implement policies and processes for:

(i) Assessing tips based on the level of severity, urgency, and assistance needed using best triage practices including the YES tip line;

(ii) Risk assessment for referral of persons contacting the YES tip line to service providers;

(iii) Threat assessment that identifies circumstances requiring the YES tip line to alert law enforcement, mental health services, or other first responders immediately when immediate emergency response to a tip is warranted;

(iv) Referral and follow-up on tips to schools or postsecondary institution teams, local crisis services, law enforcement, and other entities;

(v) YES tip line information data retention and reporting requirements;

(vi) Ensuring the confidentiality of persons submitting a tip and to allow for disclosure when necessary to respond to a specific emergency threat to life; and

(vii) Systematic review, analysis, and reporting by the YES tip line program of YES tip line data including, but not limited to, reporting program utilization and evaluating whether the YES tip line is being implemented equitably across the state.

(c) The YES tip line shall be operated by a vendor selected by the attorney general through a competitive contracting process. The attorney general shall ensure that the YES tip line program vendor and its personnel are properly trained and resourced. The contract must require the vendor to be bound confidentiality policies developed by the office. The contract must also provide that the state of Washington owns the data and information produced from the YES tip line and that vendor must comply with the state's data retention, use, and security requirements.

(d) The YES tip line program must develop and maintain a reference and best practices tool kit for law enforcement and mental health officials that identifies statewide and community mental health resources, services, and contacts, and provides best practices and strategies for investigators to use in investigating cases and assisting youths and their parents and guardians.

(e) The YES tip line program must promote and market the program and YES tip line to youth, families, community members, schools, and others statewide to build awareness of the program's resources and the YES tip line. Youth perspectives must be included and consulted in tip line development and implementation including creating marketing campaigns and materials required for the YES tip line program. The insights of youth representing marginalized and minority communities must be prioritized for their invaluable insight. The attorney general may determine the criteria for honorariums and award youth who participate in the tip line development and implementation an honorarium of up to \$200 per day.

(f) In addition to honorarium amounts, youth are eligible for reasonable allowances for reimbursement, lodging, and travel expenses as provided in RCW 43.03.050 and 43.03.060.

(g) Nothing in this subsection creates an employment relationship, or any membership or qualification in any state or other publicly supported retirement system, due to the payment of an honorarium or lodging and travel expenses provided under this subsection where such a relationship, membership, or qualification did not already exist.

((((19))) (17) \$196,000 of the legal services revolving account—state appropriation is provided solely to provide staff support to the joint legislative task force on jail standards created in section 957 of this act.

((20))) (18) \$38,000 of the legal services revolving account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1148 (acute care hospitals). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(21))) (19) \$294,000 of the legal services revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 1259 (women & minority contracting). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(22))) (20) \$1,207,000 of the legal services revolving account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1219 (youth counsel/dependency). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(23))) (21) \$28,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1089 (law enforcement audits). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(24))) (22) \$123,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Third Substitute House Bill No. 1091 (transportation fuel/carbon). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(25))) (23) \$2,080,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1194 (parent-child visitation). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(26))) (24) \$121,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1073 (paid leave coverage). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(27))) (25) \$247,000 of the general fund—state appropriation for fiscal year 2022 and \$247,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1310 (uses of force by officers). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(28))) (26) \$25,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1109 (victims of sexual assault). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(29))) (27) \$146,000 of the legal services revolving fund—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5172 (agricultural overtime). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(28) \$275,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the attorney general to support the Washington state missing and murdered indigenous women and people task force created in section 943 of this act.

(29) \$5,743,000 of the legal services revolving fund—state appropriation is provided solely for additional legal services to address additional legal services necessary for dependency actions where the state and federal Indian child welfare act apply. The office must report to the fiscal committees of the legislature within 90 days of the close of fiscal year 2023 the following information for new cases initiated in fiscal year 2023 to measure quantity and use of this funding:

(a) The number and proportion of cases where the state and

federal Indian child welfare act (ICWA) applies as compared to non-ICWA new cases;

(b) The amount of time spent advising on, preparing for court, and litigating issues and elements related to ICWA's requirements as compared to the amount of time advising on, preparing for court, and litigating issues and elements that are not related to ICWA's requirements;

(c) The length of state and federal Indian child welfare act cases as compared to non-ICWA cases measured by time or number of court hearings; and

(d) Any other information or metric the office determines is appropriate to measure the quantity and use of the funding in this subsection.

(30) \$470,000 of the general fund—state appropriation for fiscal year 2022 and \$280,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for legal services in *Wahkiakum School District v. State*.

(31) \$1,910,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office to pass through to King county to adequately fund and retain its prosecution services pursuant to chapter 71.09 RCW in King county.

(32) \$728,000 of the general fund—state appropriation for fiscal year 2022 and \$693,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for legal services related to the voting rights case *Palmer, et al v. State*.

(33) \$752,000 of the general fund—state appropriation for fiscal year 2023 and \$119,000 of the legal services revolving account—state appropriation are provided solely for implementation of Substitute House Bill No. 2076 (transp. network companies). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(34) \$33,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1815 (catalytic converter theft). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(35) \$65,000 of the legal services revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 1747 (child relative placements). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(36) \$17,000 of the legal services revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 1286 (psychology compact). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(37) \$133,000 of the legal services revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 1735 (use of force). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(38)(a) \$125,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a study regarding state and local responses to acts or potential acts of domestic terrorism in Washington state.

(b) In conducting the study, the office must review laws and policies regarding domestic terrorism, including but not limited to:

(i) Federal, state, and local laws regarding acts of domestic terrorism, including how a criminal incident is determined to be an act of domestic terrorism;

(ii) State and local data collection, tracking, and reporting practices as related to acts of domestic terrorism; and

(iii) State and local policies regarding responding to acts of domestic terrorism.

(c) By December 15, 2022, the office must submit a report to the appropriate committees of the legislature that includes but is

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not limited to:

(i) A summary of current laws and policies as identified in (b) of this subsection;

(ii) Recommended best practices for:

(A) Standardizing and improving data collection, tracking, and reporting on acts of domestic terrorism at the state and local level; and

(B) Strengthening law enforcement, prosecutorial, and other local government responses to a potential act of domestic terrorism; and

(iii) Recommendations for any statutory changes that may be necessary for clarity and consistency.

(d) The office may consult with experts or professionals involved or having expertise in the topic of domestic terrorism to complete the study.

(39) \$58,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to support the sexual assault forensic examination best practices advisory group. The office of the attorney general shall reconvene a sexual assault forensic examination best practices advisory group to continue the work of the previous sexual assault forensic examination best practices advisory group as established in section 1, chapter 93, Laws of 2019. The advisory group must review best practice models for managing all aspects of sexual assault investigations and for reducing the number of untested sexual assault kits in Washington state. The advisory group must meet no less than twice annually.

(40) \$25,000 of the legal services revolving fund—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5761 (wage and salary information). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(41) The attorney general must deposit the state's portion of any proceeds received during the 2021-2023 fiscal biennium from the settlement with Purdue Pharma and the Sackler families into the state general fund to be appropriated for opioid abatement programs and services.

Sec. 127. 2021 c 334 s 128 (uncodified) is amended to read as follows:

FOR THE CASELOAD FORECAST COUNCIL

General Fund—State Appropriation (FY 2022)(((\$1,990,000))

\$1,981,000

General Fund—State Appropriation (FY 2023)(((\$1,982,000))

\$2,223,000

Workforce Education Investment Account—State Appropriation (((\$326,000))

\$331,000

TOTAL APPROPRIATION (((\$4,298,000))

\$4,535,000

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

(1) (((\$326,000)) \$331,000 of the workforce education investment account—state appropriation is provided solely to forecast the caseload for the Washington college grant program.

(2) Within existing resources, and beginning with the November 2021 forecast, the caseload forecast council shall produce an unofficial forecast of the long-term caseload for juvenile rehabilitation as a courtesy.

(3) \$192,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5268 (dev. disability services). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 128. 2021 c 334 s 129 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

General Fund—State	Appropriation (FY 2022)	(((\$193,804,000))
		<u>\$201,157,000</u>
General Fund—State	Appropriation (FY 2023)	(((\$171,190,000))
		<u>\$550,623,000</u>
General Fund—Federal	Appropriation	(((\$1,365,225,000))
		<u>\$1,450,865,000</u>
General Fund—Private/Local	Appropriation	(((\$8,862,000))
		<u>\$9,083,000</u>
Public Works Assistance Account—State	Appropriation	(((\$8,134,000))
		<u>\$8,420,000</u>
Lead Paint Account—State	Appropriation	\$112,000
Building Code Council Account—State	Appropriation	\$17,000
Liquor Excise Tax Account—State	Appropriation	(((\$1,262,000))
		<u>\$1,316,000</u>
Home Security Fund Account—State	Appropriation	(((\$326,272,000))
		<u>\$326,423,000</u>
Affordable Housing for All Account—State	Appropriation	(((\$105,230,000))
		<u>\$105,264,000</u>
Financial Fraud and Identity Theft Crimes Investigation and Prosecution Account—State	Appropriation	(((\$2,671,000))
		<u>\$2,678,000</u>
Low-Income Weatherization and Structural Rehabilitation Assistance Account—State	Appropriation	\$1,400,000
Statewide Tourism Marketing Account—State	Appropriation	\$3,034,000
Community and Economic Development Fee Account—State	Appropriation	(((\$4,117,000))
		<u>\$4,252,000</u>
Growth Management Planning and Environmental Review Fund—State	Appropriation	(((\$5,785,000))
		<u>\$5,802,000</u>
Liquor Revolving Account—State	Appropriation	(((\$5,920,000))
		<u>\$5,921,000</u>
Washington Housing Trust Account—State	Appropriation	(((\$20,455,000))
		<u>\$20,773,000</u>
Prostitution Prevention and Intervention Account—State	Appropriation	(((\$26,000))
		<u>\$146,000</u>
Public Facility Construction Loan Revolving Account—State	Appropriation	(((\$1,229,000))
		<u>\$1,278,000</u>
Model Toxics Control Stormwater Account—State	Appropriation	\$100,000
Dedicated Marijuana Account—State	Appropriation (FY 2022)	\$1,813,000
Dedicated Marijuana Account—State	Appropriation (FY 2023)	(((\$1,809,000))
		<u>\$3,200,000</u>
Andy Hill Cancer Research Endowment Fund Match Transfer Account—State	Appropriation	(((\$11,711,000))
		<u>\$50,281,000</u>
Community Preservation and Development Authority Account—State	Appropriation	(((\$500,000))
		<u>\$2,500,000</u>
Economic Development Strategic Reserve Account—State	Appropriation	\$2,798,000

Coronavirus State Fiscal Recovery Fund—Federal Appropriation	(((\$472,610,000)) <u>\$937,440,000</u>)
<u>Apple Health and Homes Account—State Appropriation</u>	<u>\$8,740,000</u>
<u>Electric Vehicle Incentive Account—State Appropriation</u>	<u>\$25,000,000</u>
TOTAL APPROPRIATION	(((\$2,716,086,000)) <u>\$3,730,436,000</u>)

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

(1) Repayments of outstanding mortgage and rental assistance program loans administered by the department under RCW 43.63A.640 shall be remitted to the department, including any current revolving account balances. The department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

(2) \$3,000,000 of the general fund—state appropriation for fiscal year 2022 and (((\$3,000,000)) \$7,096,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to resolution Washington to build statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2022 and \$375,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to the retired senior volunteer program.

(4) The department shall administer its growth management act technical assistance and pass-through grants so that smaller cities and counties receive proportionately more assistance than larger cities or counties.

(5) \$375,000 of the general fund—state appropriation for fiscal year 2022 and \$375,000 of the general fund—state appropriation for fiscal year 2023 are provided solely as pass-through funding to Walla Walla Community College for its water and environmental center.

(6) \$4,304,000 of the general fund—state appropriation for fiscal year 2022 and \$4,304,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for associate development organizations. During the 2021-2023 biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086. The department must distribute the funding as follows:

(a) For associate development organizations serving urban counties, which are counties other than rural counties as defined in RCW 82.14.370, a locally matched allocation of up to \$1.00 per capita, totaling no more than \$300,000 per organization; and

(b) For associate development organizations in rural counties, as defined in RCW 82.14.370, a \$1.00 per capita allocation with a base allocation of \$75,000.

(7) \$5,907,000 of the liquor revolving account—state appropriation is provided solely for the department to contract with the municipal research and services center of Washington.

(8) The department is authorized to require an applicant to pay an application fee to cover the cost of reviewing the project and preparing an advisory opinion on whether a proposed electric generation project or conservation resource qualifies to meet mandatory conservation targets.

(9) Within existing resources, the department shall provide administrative and other indirect support to the developmental disabilities council.

(10) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the northwest agriculture business center.

(11) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the regulatory roadmap program for the construction industry and to identify and coordinate with businesses in key industry sectors to develop additional regulatory roadmap tools.

(12) (((\$1,000,000)) \$750,000) of the general fund—state appropriation for fiscal year 2022 and (((\$1,000,000)) \$1,250,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington new Americans program. The department may require a cash match or in-kind contributions to be eligible for state funding.

(13) \$643,000 of the general fund—state appropriation for fiscal year 2022 and \$643,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a private, nonprofit organization to provide developmental disability ombuds services.

(14) \$1,000,000 of the home security fund—state appropriation, \$2,000,000 of the Washington housing trust account—state appropriation, and \$1,000,000 of the affordable housing for all account—state appropriation are provided solely for the department of commerce for services to homeless families and youth through the Washington youth and families fund.

(15) \$2,000,000 of the home security fund—state appropriation is provided solely for the administration of the grant program required in chapter 43.185C RCW, linking homeless students and their families with stable housing.

(16)(a) \$1,980,000 of the general fund—state appropriation for fiscal year 2022 and \$1,980,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for community beds for individuals with a history of mental illness. Currently, there is little to no housing specific to populations with these co-occurring disorders; therefore, the department must consider how best to develop new bed capacity in combination with individualized support services, such as intensive case management and care coordination, clinical supervision, mental health, substance abuse treatment, and vocational and employment services. Case-management and care coordination services must be provided. Increased case-managed housing will help to reduce the use of jails and emergency services and will help to reduce admissions to the state psychiatric hospitals. The department must coordinate with the health care authority and the department of social and health services in establishing conditions for the awarding of these funds. The department must contract with local entities to provide a mix of (i) shared permanent supportive housing; (ii) independent permanent supportive housing; and (iii) low and no-barrier housing beds for people with a criminal history, substance abuse disorder, and/or mental illness.

(b) Priority for permanent supportive housing must be given to individuals on the discharge list at the state psychiatric hospitals or in community psychiatric inpatient beds whose conditions present significant barriers to timely discharge.

(17) \$557,000 of the general fund—state appropriation for fiscal year 2022 and \$557,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to design and administer the achieving a better life experience program.

(18) The department is authorized to suspend issuing any nonstatutorily required grants or contracts of an amount less than \$1,000,000 per year.

(19) \$1,070,000 of the general fund—state appropriation for

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fiscal year 2022 \$1,070,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the small business export assistance program. The department must ensure that at least one employee is located outside the city of Seattle for purposes of assisting rural businesses with export strategies.

(20) \$60,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to submit the necessary Washington state membership dues for the Pacific Northwest economic region.

(21) ((\$2,000,000)) \$2,200,000 of the general fund—state appropriation for fiscal year 2022 and ((\$2,000,000)) \$4,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with organizations and attorneys to provide either legal representation or referral services for legal representation, or both, to indigent persons who are in need of legal services for matters related to their immigration status. Persons eligible for assistance under any contract entered into pursuant to this subsection must be determined to be indigent under standards developed under chapter 10.101 RCW. Of the amounts provided in this section, \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$2,000,000 of the general fund—state appropriation for fiscal year 2023 must be used for pro bono or low bono legal services to assist indigent Washington residents, who were temporarily paroled into the United States in 2021 or 2022, with asylum applications or other matters related to adjusting immigration status.

(22)(a) \$37,000,000 of the affordable housing for all account—state appropriation is provided solely for grants to support the building operation, maintenance, and service costs of permanent supportive housing projects or units within housing projects that have or will receive funding from the housing trust fund—state account or other public capital funding that:

- (i) Is dedicated as permanent supportive housing units;
- (ii) Is occupied by low-income households with incomes at or below thirty percent of the area median income; and
- (iii) Requires a supplement to rent income to cover ongoing property operating, maintenance, and service expenses.

(b) Permanent supportive housing projects receiving federal operating subsidies that do not fully cover the operation, maintenance, and service costs of the projects are eligible to receive grants as described in this subsection.

(c) The department may use a reasonable amount of funding provided in this subsection to administer the grants.

(23) \$7,000,000 of the home security fund—state appropriation is provided solely for the office of homeless youth prevention and protection programs to:

(a) Expand outreach, services, and housing for homeless youth and young adults including but not limited to secure crisis residential centers, crisis residential centers, and HOPE beds, so that resources are equitably distributed across the state;

(b) Contract with other public agency partners to test innovative program models that prevent youth from exiting public systems into homelessness; and

(c) Support the development of an integrated services model, increase performance outcomes, and enable providers to have the necessary skills and expertise to effectively operate youth programs.

(24) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of homeless youth to fund program models that prevent youth from exiting public systems into homelessness.

(25) ((\$3,000,000)) \$2,408,000 of the general fund—state appropriation for fiscal year 2022 and ((\$5,000,000)) \$5,592,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of homeless youth to build infrastructure and services to support a continuum of interventions, including but not limited to prevention, crisis response, and long-term housing, to reduce youth homelessness in communities identified as part of the anchor community initiative.

(26) \$2,125,000 of the general fund—state appropriation for fiscal year 2022 and \$2,125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of homeless youth to contract with one or more nonprofit organizations to provide youth services and young adult housing on a multi-acre youth campus located in the city of Tacoma. Youth services include, but are not limited to, HOPE beds and crisis residential centers to provide temporary shelter and permanency planning for youth under the age of 18. Young adult housing includes, but is not limited to, rental assistance and case management for young adults ages 18 to 24. The department shall submit an annual report to the legislature on the use of the funds. The first report is due June 30, 2022, and each June 30th thereafter. The report shall include but is not limited to:

- (a) A breakdown of expenditures by program and expense type, including the cost per bed;
- (b) The number of youth and young adults helped by each program;
- (c) The number of youth and young adults on the waiting list for programs, if any; and
- (d) Any other metric or measure the department deems appropriate to evaluate the effectiveness of the use of the funds.

(27) \$62,720,000 of the general fund—state appropriation for fiscal year 2022, \$65,330,000 of the general fund—state appropriation for fiscal year 2023, and \$2,610,000 of the coronavirus state fiscal recovery fund—federal appropriation are provided solely for the essential needs and housing support program and related services. The department may use a portion of the funds provided in this subsection to continue the pilot program established in section 127(106) of chapter 357, Laws of 2020, by providing grants to participating counties who request additional funding in order to continue serving participating and eligible clients.

(28) \$1,436,000 of the general fund—state appropriation for fiscal year 2022 and \$1,436,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to identify and invest in strategic growth areas, support key sectors, and align existing economic development programs and priorities. The department must consider Washington's position as the most trade-dependent state when identifying priority investments. The department must engage states and provinces in the northwest as well as associate development organizations, small business development centers, chambers of commerce, ports, and other partners to leverage the funds provided. Sector leads established by the department must include the industries of: (a) Aerospace; (b) clean technology and renewable and nonrenewable energy; (c) wood products and other natural resource industries; (d) information and communication technology; (e) life sciences and global health; (f) maritime; and (g) military and defense. The department may establish these sector leads by hiring new staff, expanding the duties of current staff, or working with partner organizations and or other agencies to serve in the role of sector lead.

(29) The department must develop a model ordinance for cities and counties to utilize for siting community based behavioral health facilities.

(30) \$198,000 of the general fund—state appropriation for fiscal year 2022 and \$198,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to retain a behavioral health facilities siting administrator within the department to coordinate development of effective behavioral health housing options and provide technical assistance in siting of behavioral health treatment facilities statewide to aide in the governor's plan to discharge individuals from the state psychiatric hospitals into community settings. This position must work closely with the local government legislative authorities, planning departments, behavioral health providers, health care authority, department of social and health services, and other entities to facilitate linkages among disparate behavioral health community bed capacity-building efforts. This position must work to integrate building behavioral health treatment and infrastructure capacity in addition to ongoing supportive housing benefits.

(31) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with an entity located in the Beacon hill/Chinatown international district area of Seattle to provide low income housing, low income housing support services, or both. To the extent practicable, the chosen location must be colocated with other programs supporting the needs of children, the elderly, or persons with disabilities.

(32) \$1,500,000 of the general fund—state appropriation for fiscal year 2022, ((\$1,500,000)) \$4,740,000 of the general fund—state appropriation for fiscal year 2023 and \$4,500,000 of the home security fund—state appropriation are provided solely for the consolidated homeless grant program.

(a) Of the amounts provided in this subsection, \$4,500,000 of the home security fund—state appropriation is provided solely for permanent supportive housing targeted at those families who are chronically homeless and where at least one member of the family has a disability. The department will also connect these families to medicaid supportive services.

(b) Of the amounts provided in this subsection, \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for diversion services for those families and individuals who are at substantial risk of losing stable housing or who have recently become homeless and are determined to have a high probability of returning to stable housing.

(c) Of the amounts provided in this subsection, \$3,240,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for up to nine months of rental assistance for individuals enrolled in the foundational community supports initiative who are transitioning off of benefits under RCW 74.04.805 due to increased income or other changes in eligibility. The health care authority, department of social and health services, and department of commerce shall collaborate on this effort.

(33) ((\$11,711,000)) \$50,281,000 of the Andy Hill cancer research endowment fund match transfer account—state appropriation is provided solely for the Andy Hill cancer research endowment program. Amounts provided in this subsection may be used for grants and administration costs.

(34) \$550,000 of the general fund—state appropriation for fiscal year 2022 and ((\$150,000)) \$550,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the operations of the long-term care ombudsman program.

(35) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to produce the biennial report identifying a list of

projects to address incompatible developments near military installations as provided in RCW 43.330.520.

(36) \$35,000,000 of the home security fund—state appropriation is provided solely for increasing local temporary shelter capacity. The amount provided in this subsection is subject to the following conditions and limitations:

(a) A city or county applying for grant funding shall submit a sheltering proposal that aligns with its local homeless housing plan under RCW 43.185C.050. This proposal must include at a minimum:

(i) A strategy for outreach to bring currently unsheltered individuals into shelter;

(ii) Strategies for connecting sheltered individuals to services including but not limited to: Behavioral health, chemical dependency, education or workforce training, employment services, and permanent supportive housing services;

(iii) An estimate on average length of stay;

(iv) An estimate of the percentage of persons sheltered who will exit to permanent housing destinations and an estimate of those that are expected to return to homelessness;

(v) An assessment of existing shelter capacity in the jurisdiction, and the net increase in shelter capacity that will be funded with the state grant; and

(vi) Other appropriate measures as determined by the department.

(b) ((The department shall not reimburse more than \$56 per day per net additional person sheltered above the baseline of shelter occupancy prior to award of the funding.)) Eligible uses of funds include shelter operations, shelter maintenance, shelter rent, loan repayment, case management, navigation to other services, efforts to address potential impacts of shelters on surrounding neighborhoods, capital improvements and construction, and outreach directly related to bringing unsheltered people into shelter. The department shall coordinate with local governments to encourage cost-sharing through local matching funds.

(c) The department shall not reimburse more than \$10,000 per shelter bed prior to occupancy, for costs associated with creating additional shelter capacity or improving existing shelters to improve occupancy rates and successful outcomes. Eligible costs prior to occupancy include acquisition, construction, equipment, staff costs, and other costs directly related to creating additional shelter capacity.

(d) For the purposes of this subsection "shelter" means any facility, the primary purpose of which is to provide space for homeless in general or for specific populations of homeless. The shelter must: Be structurally sound to protect occupants from the elements and not pose any threat to health or safety, have means of natural or mechanical ventilation, and be accessible to persons with disabilities, and the site must have hygiene facilities, which must be accessible but do not need to be in the structure.

(37) ((\$1,007,000)) \$950,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,007,000)) \$1,064,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to administer a transitional housing pilot program for nondependent homeless youth. In developing the pilot program, the department will work with the adolescent unit within the department of children, youth, and families, which is focused on cross-system challenges impacting youth, including homelessness.

(38) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to establish representation in key international markets that will provide the greatest opportunities for increased trade and investment for small businesses in the state of Washington. Prior to entering into any contract for representation,

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the department must consult with associate development organizations and other organizations and associations that represent small business, rural industries, and disadvantaged business enterprises.

(39) \$80,000 of the general fund—state appropriation for fiscal year 2022 and \$80,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to establish an identification assistance and support program to assist homeless persons in collecting documentation and procuring an identicard issued by the department of licensing. This program may be operated through a contract for services. The program shall operate in one county west of the crest of the Cascade mountain range with a population of one million or more and one county east of the crest of the Cascade mountain range with a population of five hundred thousand or more.

(40) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of homeless youth prevention and protection programs to create a centralized diversion fund to serve homeless or at-risk youth and young adults, including those who are unsheltered, exiting inpatient programs, or in school. Funding provided in this subsection may be used for short-term rental assistance, offsetting costs for first and last month's rent and security deposits, transportation costs to go to work, and assistance in obtaining photo identification or birth certificates.

(41) \$100,000 of the model toxics control stormwater account—state appropriation is provided solely for planning work related to stormwater runoff at the aurora bridge and I-5 ship canal bridge. Planning work may include, but is not limited to, coordination with project partners, community engagement, conducting engineering studies, and staff support.

(42) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to assist people with limited incomes in urban areas of the state start and sustain small businesses. The grant recipient must be a nonprofit organization involving a network of microenterprise organizations and professionals to support micro entrepreneurship and access to economic development resources.

(43) ((\$500,000)) \$1,500,000 of the community preservation and development authority account—state/operating appropriation is provided solely for the operations of the Pioneer Square-International District community preservation and development authority established in RCW 43.167.060.

(44) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants and associated technical assistance and administrative costs to foster collaborative partnerships that expand child care capacity in communities. Eligible applicants include nonprofit organizations, school districts, educational service districts, and local governments. These funds may be expended only after the approval of the director of the department of commerce and must be used to support planning and activities that help communities address the shortage of child care, prioritizing partnerships serving in whole or in part areas identified as child care access deserts.

(45) ((\$255,000,000)) \$278,476,000 of the general fund—federal appropriation (ARPA) and \$403,000,000 of the coronavirus state fiscal recovery account—federal appropriation are provided solely for the department to administer an emergency rental assistance program. The department shall distribute funding in the form of grants to local housing providers. In making distributions, the department must consider the number

of unemployed persons and renters in each jurisdiction served by the provider as well as consider any funding that jurisdiction, including cities within each county, received directly from the federal government for emergency rental assistance. Of the amounts provided in this subsection:

(a) ((\$255,000,000)) \$278,476,000 of the general fund—federal appropriation (ARPA) is provided solely for grants to provide emergency rental and utility assistance pursuant to P.L. 117-2. A provider may use up to 14.5 percent of the grant award provided under this subsection for administrative costs and the remainder must be used for financial assistance as defined in P.L. 117-2. Unless otherwise prohibited under federal guidance, a housing provider may provide financial assistance for an eligible household's rent and rental arrears of up to 150 percent of the fair market rent for the area in which the household resides, as determined by the department of housing and urban development.

(b)(i) \$403,000,000 of the coronavirus state fiscal recovery account—federal appropriation is provided solely for grants to provide emergency rental and utility assistance, subject to (b)(ii) of this subsection. Providers must make rental payments directly to landlords and utility payments directly to utility providers. To be eligible for assistance under this subsection, households must, at a minimum, have an income at or below 80 percent of the area median income and must have a missed or partially paid rent payment. The department may establish additional eligibility criteria to target these resources to households most likely to become homeless if they do not receive rental assistance. A provider may provide financial assistance for an eligible household's rent and rental arrears of up to 150 percent of the fair market rent for the area in which the household resides, as determined by the department of housing and urban development.

(ii) From the amount provided in (b) of this subsection, each local housing provider must subgrant with community organizations that serve historically disadvantaged populations within their jurisdiction. Subgrants may be used for program outreach and assisting community members in applying for assistance under (a) and (b) of this subsection. The amount of the subgrant must be at least five percent of the total funding each provider received under (a) and (b) of this subsection.

(c) The department may retain up to 0.5 percent of the amounts provided in this subsection for administration of the program.

(46) \$7,500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to provide grants to entities that provide digital navigator services, devices, and subscriptions. These services must include but are not limited to one-on-one assistance for people with limited access to services, including individuals seeking work, families supporting students, English language learners, medicaid clients, people experiencing poverty, and elders. Of the amounts provided in this subsection, the department must prioritize allocating \$1,500,000 as grants or portions of grants that serve medicaid clients.

(47) \$240,000 of the general fund—state appropriation for fiscal year 2022 ((and)), \$240,000 of the general fund—state appropriation for fiscal year 2023, and \$1,000,000 of the community preservation and development authority account—state appropriation are provided solely for the operations of the Central district community preservation and development authority established in RCW 43.167.070.

(48) \$607,000 of the general fund—state appropriation for fiscal year 2022 and \$607,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to assist homeowners at risk of foreclosure pursuant to chapter 61.24 RCW. Funding provided in this section may be used for activities to prevent mortgage or tax lien foreclosure, housing counselors, a foreclosure prevention hotline, legal

services for low-income individuals, mediation, and other activities that promote homeownership. The department may contract with other foreclosure fairness program state partners to carry out this work.

(49) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a nonprofit entity located in Seattle that focuses on poverty reduction and racial equity to convene and staff a poverty reduction workgroup steering committee comprised of individuals that have lived experience with poverty. Funding provided in this section may be used to reimburse steering committee members for travel, child care, and other costs associated with participation in the steering committee.

(50) \$29,255,000 of the general fund—federal appropriation (CRF) and (((\$230,000,000)) \$284,200,000 of the general fund—federal appropriation (CRRSA), not to exceed the amount appropriated in section 3, chapter 3, Laws of 2021, that is unobligated at the end of fiscal year 2021, are provided solely for rental assistance and housing and are subject to the same terms and conditions as the appropriation in section 3, chapter 3, Laws of 2021, as amended in section 1905 of this act.

(51) \$4,800,000 of the general fund—federal appropriation (CRF), not to exceed the amount appropriated in section 4, chapter 3, Laws of 2021, that is unobligated at the end of fiscal year 2021, is provided solely for working Washington grants and is subject to the same terms and conditions as the appropriation in section 4, chapter 3, Laws of 2021.

(52) (((\$1,602,000)) \$1,147,000 of the general fund—state appropriation for fiscal year 2022 and (((\$1,174,000)) \$1,629,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the statewide broadband office established in RCW 43.330.532.

(53) \$450,000 of the general fund—state appropriation for fiscal year 2022 and \$450,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization for an initiative to advance affordable housing projects and education centers on public or tax-exempt land. The department must award the grant to an organization with an office located in the city of Seattle that has experience in catalyzing early learning and affordable housing developments. The grant recipient must use the funding to:

(a) Implement strategies to accelerate development of affordable housing projects with space for early learning centers or community space on underutilized tax-exempt properties;

(b) Analyze the suitability of properties for affordable housing, early learning centers, or community space through completing due diligence, conceptual design, and financial analysis activities;

(c) Organize community partners and build capacity to develop these sites, as well as coordinate negotiations among partners and public owners;

(d) Facilitate collaboration and co-development between affordable housing, early learning centers, or community space; and

(e) Catalyze the redevelopment of at least 10 sites to create approximately 1,500 affordable homes.

(54) \$2,000,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$2,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization located in King county to operate a hunger relief response program serving individuals living in permanent supportive housing.

(55) \$75,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to a nonprofit organization located in the city of Federal Way that conducts collaborative policy development and provides access to resources and

consultation to historically disadvantaged communities. The grant funding must be used for capacity-building activities to support community-based organizations serving youth and young adults in the city of Federal Way.

(56) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for capacity-building grants through the Latino community fund for emergency response services, educational programs, and human services support for children and families in rural and underserved communities.

(57) \$12,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a single contract with the non-profit statewide tourism marketing organization that is party to the contract pursuant to RCW 43.384.020. The funds will be used to assist recovery for tourism-related businesses, generate tourism demand for Washington communities and businesses, and sustain recovery market share with competing Western states. The department and the contractor shall submit a report to the legislature June 30, 2022, and June 30, 2023.

(58) \$354,000 of the general fund—state appropriation for fiscal year 2022 and \$354,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to the Port Gamble S'Klallam tribe for a reentry program providing tailored support services to moderate-needs and high-needs individuals leaving local or tribal incarceration, with the goals of reducing criminal recidivism and fostering community wellbeing. Services may be provided to clients pre-release and post-release.

(59) (((\$347,000)) \$217,000 of the general fund—state appropriation for fiscal year 2022 and (((\$347,000)) \$477,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization serving King and Snohomish counties for a program conducted in partnership with King county serving criminal justice-involved individuals who have experienced domestic, sexual, or gender-based violence. The grant recipient may use the funding for costs including but not limited to legal advocacy, outreach, connecting clients to housing and other resources, data analytics, and staffing.

(60) \$50,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the city of Kent to contract with one or more nonprofit organizations to serve community immersion law enforcement trainees through mentorship or community-based placement, or both.

(61) \$400,000 of the general fund—state appropriation for fiscal year 2022 and (((\$400,000)) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of homeless youth to administer a competitive grant process to award funding to licensed youth shelters, HOPE centers, and crisis residential centers to provide behavioral health support services for youth in crisis, and to increase funding for current grantees.

(62) (((\$950,000)) \$310,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$640,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit located in King county that develops training and support for low-income individuals, with a focus on women and people of color, to move into the construction industry for living wage jobs. The grant funding must be used to develop a pre-apprenticeship program that, through the construction of units, integrates housing and workforce development in service of the following goals:

(a) Creating a blueprint to integrating workforce development and housing for local jurisdictions;

(b) Providing construction training to underserved populations;

(c) Creating a pathway for trainees to enter construction careers; and

(d) Addressing the systemic effects of sexism and racism in housing, wealth, education, training, employment, and career development.

(63) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization operating an emergency shelter located in the Yakima valley for case management, outreach, and other homeless services.

(64) \$350,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization for activities to advance affordable housing. The grant recipient must be an organization that partners in equitable, transit-oriented development. The grant recipient must use the funding to:

(a) Facilitate partnerships to enable equitable transit-oriented development across the Puget Sound region that builds housing at scale; and

(b) Assist the cities of Tacoma, Renton, and Everett, as well as other cities, in:

(i) Creating or updating local subarea plans to be consistent with the regional growth strategy for future population growth to be near high capacity transit and to facilitate development within the station area that will produce a mix of affordable housing;

(ii) Ensuring equitable transit-oriented development processes and outcomes that minimize displacement; and

(iii) Identifying strategies for land acquisition and assembly around high capacity transit stations that will result in a mix of housing.

(65) \$700,000 of the general fund—state appropriation for fiscal year 2022 and ~~(\$700,000)~~ \$3,700,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a nonprofit organization whose sole purpose is to provide grants, capacity building, and technical assistance support to a network of microenterprise development organizations. The microenterprise development organizations will support rural and urban Black, indigenous and people of color owned businesses, veteran owned businesses, and limited resourced and other hard to serve businesses with five or fewer employees throughout the state with business training, technical assistance, and microloans.

(66) \$1,175,000 of the general fund—state appropriation for fiscal year 2022 and \$175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to support implementation of the 2021 state energy strategy as it pertains to emissions from energy use in new and existing buildings, including measures to support local government emission reductions, workforce measures, and utility electrification benefits.

(67) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to identify and develop effective interventions and responses to primary and secondary workplace trauma experienced by direct service staff who work in homeless shelters, homeless outreach, and permanent supportive housing. The department must collect data through methods such as surveys, interviews, and small group conversations, and engage interested parties, including but not limited to direct service staff. The department may contract with a third party to complete the work required in this subsection. By June 1, 2023, the department shall submit a report identifying interventions and providing recommendations to the appropriate committees of the

legislature.

(68)(a) \$340,000 of the general fund—state appropriation for fiscal year 2022 and \$85,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with the University of Washington college of built environments to create a database and reporting system for promoting transparency on procurement of building materials that make up the primary structure and enclosure used for state-funded construction projects. The department and university may use publicly available information and data sources as well as consult with outside experts to create the database. The database may include fields for environmental product declarations, product quantity, manufacturer location, global warming potential, health certifications, supplier codes of conduct, and working conditions.

(b) When developing the reporting system required under (a) of this subsection, the department and the University of Washington must conduct a case study analysis. In conducting the analysis, the department and the university must identify up to 10 case studies of publicly funded projects and analyze considerations including but not limited to cost impacts, materials procured, embodied carbon contribution to reducing greenhouse gas emissions, and supply chain considerations. By January 1, 2022, the department and the university shall submit a progress report on the case study analysis to the legislature. By November 1, 2022, the department and the university shall submit a final report to the legislature with findings from the case study analysis and recommendations for the reporting system based on lessons learned.

(69) \$175,000 of the general fund—state appropriation for fiscal year 2022 and \$175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization to provide job readiness skills and training to traditionally underrepresented populations to support the transition to a registered apprenticeship, trade training, or employment. The grant recipient must be a nonprofit organization serving traditionally underrepresented populations in King and Pierce counties, with a focus on youth development programs. The grant funding must be used for activities including but not limited to counseling and training in support of the goals of:

(a) Minimizing barriers to transitioning to an apprenticeship, trade training program, or employment for participants;

(b) Increasing participants' workforce and life balance skills; and

(c) Increasing participants' specialized skills and knowledge in targeted industries, including construction, urban agriculture, and maritime trades.

(70)(a) \$51,000 of the general fund—state appropriation for fiscal year 2022 and ~~(\$51,000)~~ \$121,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the statewide broadband office to cofacilitate the Washington digital equity forum with the Washington state office of equity. ((The purpose of the forum is to develop recommendations to advance digital connectivity in Washington state. In developing its recommendations, the forum must:

(i) Develop goals that are consistent with the goals of the governor's statewide broadband office, as provided in RCW 43.330.536;

(ii) Strengthen public-private partnerships;

(iii) Solicit public input through public hearings or informational sessions;

(iv) Work to increase collaboration and communication between local, state, and federal governments and agencies; and

(v) Recommend reforms to universal service mechanisms.))

(b) ((The directors of the governor's statewide broadband office

and the Washington state office of equity are responsible for appointing participating members of the forum, and appointments require the approval of both directors. In making appointments, the directors must prioritize appointees representing:

- (i) Federally recognized tribes;
- (ii) State agencies involved in digital equity; and
- (iii) Underserved and unserved communities, including historically disadvantaged communities.

(c) The director of the governor's statewide broadband office, or the director's designee, and the director of the Washington state office of equity, or the director's designee, shall serve as administrative cochair of the forum.

(d) In addition to members appointed by the directors, four legislators may serve on the digital equity forum in an ex officio capacity. Legislative participants must be appointed as follows:

(i) The speaker of the house of representatives must appoint one member from each of the two largest caucuses of the house of representatives; and

(ii) The president of the senate must appoint one member from each of the two largest caucuses of the senate.

(e) Each member of the digital equity forum shall serve without compensation but may be reimbursed for travel expenses as authorized in RCW 43.03.050 and 43.03.060. Legislative members of the forum are reimbursed for travel expenses in accordance with RCW 44.04.120. (f) The statewide broadband office must provide staff support for the digital equity forum. By January 1, 2023, the statewide broadband office must transmit the recommendations of the digital equity forum developed under (a) of this subsection to the legislature, consistent with RCW 43.01.036.) Of the amounts provided in this subsection, \$70,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1723 (telecommunications access). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection (70)(b) shall lapse.

(71) \$500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for grants to law enforcement agencies to implement group violence intervention strategies in areas with high rates of gun violence. Grant funding will be awarded to two sites, with priority given to Yakima county and south King county. The sites must be located in areas with high rates of gun violence, include collaboration with the local leaders and community members, use data to identify the individuals most at risk to perpetrate gun violence for interventions, and include a component that connects individuals to services. In selecting the sites, the department must give priority to sites meeting these criteria that also can leverage existing local or federal resources.

(72) \$350,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$350,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a contract for a business recovery program serving the city of Federal Way and surrounding area. The contract recipient must be a nongovernmental organization located in the city of Federal Way whose primary focus is the economic development of the city of Federal Way and surrounding area. The contract funding must be used for:

(a) Business development training and education for small businesses located in or serving the city of Federal Way and surrounding area, with a focus on Black, indigenous, and people of color-owned, women-owned, and veteran-owned businesses;

(b) Workforce programming for skill set development, especially as related to business retention and expansion; and

(c) Research and collection of economic baseline data for the city of Federal Way and surrounding area for the development of data-driven programming, with a focus on key economic recovery

indicators.

(73) \$202,000 of the general fund—state appropriation for fiscal year 2022 and \$89,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization to provide emergency housing, permanent supportive housing, and wraparound services focusing on Black transgender and nonbinary individuals who are currently experiencing or at risk of homelessness. The grant recipient must be a nonprofit organization with locations in the cities of Seattle and Tacoma that provides legal and other services for LGBTQ individuals in Washington. The grant recipient may subgrant or subcontract with other organizations to provide emergency housing, permanent supportive housing, and wraparound services.

(74) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit for a smart buildings education program to educate building owners and operators on smart building practices and technologies, including the development of onsite and digital trainings that detail how to operate residential and commercial facilities in an energy efficient manner. The grant recipient must be located in a city with a population of more than 700,000 and must serve anyone within Washington with an interest in better understanding energy efficiency in commercial and institutional buildings.

(75) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to establish a sector lead position for the creative industries, including but not limited to the performing arts, literary arts, music, and film. The sector lead must work with interested parties to further the goals of creating economic development opportunities, retaining and growing jobs, and supporting small business development and expansion within the creative industries.

(76) \$221,920,000 of the home security fund—state appropriation and \$58,400,000 of the affordable housing for all account—state appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 1277 (housing/revenue source). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

Of the amounts provided in this subsection:

(a) \$88,768,000 of the home security fund—state appropriation is provided solely to implement the eviction prevention rental assistance program created in the bill; and

(b) \$133,152,000 of the home security fund—state appropriation is provided solely for project-based vouchers and related services, rapid rehousing, housing acquisition, and supportive services for individuals and families accessing vouchers and rapid rehousing. Of the total amount provided in this subsection, at least \$20,000,000 must be used for hotel and motel vouchers, rapid rehousing, and supportive services for individuals and families accessing vouchers and rapid rehousing.

(77) \$59,000 of the general fund—state appropriation for fiscal year 2022 and \$696,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1086 (behavioral health consumers). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(78) \$163,000 of the dedicated marijuana account—state appropriation for fiscal year 2022 and \$159,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1443 (cannabis industry/equity). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection

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shall lapse.)

(79) \$298,000 of the general fund—state appropriation for fiscal year 2022 and \$404,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1220 (emergency shelters & housing). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(80) (((\$306,000)) \$121,000 of the general fund—state appropriation for fiscal year 2022 and (((\$483,000)) \$668,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(81) \$21,000 of the general fund—state appropriation for fiscal year 2022 and \$42,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Third Substitute House Bill No. 1091 (transportation fuel/carbon). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(82) \$42,000 of the general fund—state appropriation for fiscal year 2022 and \$42,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1168 (long-term forest health). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(83) \$2,798,000 of the economic development strategic reserve account manufacturing cluster acceleration subaccount—state appropriation is provided solely for implementation of Substitute House Bill No. 1170 (manufacturing). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)

(84) (((\$187,000,000)) \$174,000,000 of the general fund—federal appropriation (ARPA) ((is)) and \$4,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a homeowner assistance program to provide mortgage, foreclosure, and other assistance to eligible homeowners pursuant to P.L. 117-2. The department may subgrant or contract with other entities to provide assistance under the program. Of the amount provided in this subsection, (((\$13,000,000)) \$2,000,000 of the general fund—federal appropriation (ARPA) ((is)) and \$4,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for foreclosure assistance.

(85) \$9,864,000 of the general fund—state appropriation for fiscal year 2022 and \$9,864,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for long-term rental subsidies for individuals with mental health or substance use disorders. This funding may be used for individuals enrolled in the foundational community support program while waiting for a longer term resource for rental support or for individuals transitioning from behavioral health treatment facilities or local jails. Individuals who would otherwise be eligible for the foundational community support program but are not eligible because of their citizenship status may also be served. By December 1, 2021, and December 1, 2022, the department must submit a report identifying the expenditures and number of individuals receiving long-term rental supports through the agency budget broken out by region, treatment need, and the demographics of those served during the prior fiscal year.

(86)(a) (((\$50,000,000)) \$70,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to provide grants to small businesses through the working Washington grant program.

(b) Of the amount provided in this subsection, (((\$30,000,000))

\$42,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely to assist businesses maintain their operations. To be eligible for a grant under this subsection, the business must:

(i) Apply for or have applied for the grant;

(ii) ((Have reported annual gross receipts of \$5,000,000 or less to the department of revenue for calendar year 2019)) Have not reported annual gross receipts of more than \$5,000,000 in calendar year 2019;

(iii) Have expenses that are necessary to continue business operations and the expense is not a federal, state, or local tax, fee, license, or other government revenue;

(iv) Self-attest that the expense is not funded by any other government or private entity;

(v) Have experienced a reduction in business income or activity related to COVID-19 or state or local actions in response to COVID-19; and

(vi) Agree to operate in accordance with the requirements of applicable federal, state, and local public health guidance and directives.

(c) Of the amount provided in this subsection, (((\$20,000,000)) \$28,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely to assist the reopening of businesses that temporarily totally closed their operations. To be eligible for a grant under this subsection, the business must:

(i) Apply for the grant;

(ii) ((Have reported annual gross receipts of \$5,000,000 or less to the department of revenue for calendar year 2019)) Have not reported annual gross receipts of more than \$5,000,000 in calendar year 2019;

(iii) Demonstrate the business was actively engaged in business, and as a result of the governor's proclamations 20-25.8, issued on November 15, 2020, through 20-25.12 ("stay safe-stay healthy"), temporarily totally closed operations. Demonstration of active engagement in business can be given through but is not limited to taxable activity reported to the department of revenue. The department may use other methods to determine if this criterion has been met;

(iv) Have expenses that are necessary to reopen business operations and the expense is not a federal, state, or local tax, fee, license, or other government revenue;

(v) Self-attest that the expense is not funded by any other government or private entity; and

(vi) Agree to operate in accordance with the requirements of applicable federal, state, and local public health guidance and directives.

(d) Grant awards are subject to the availability of amounts appropriated in this subsection. The department must conduct outreach to underrepresented and unserved communities observed from prior rounds of awards. The department must ensure equitable distributions of grant funding, including considerations for geographic location and businesses owned by members of historically disadvantaged communities.

(e)(i) Eligible businesses may receive up to a \$75,000 grant.

(ii) ((If a business received one or more working Washington small business grants before July 1, 2021, including grants provided pursuant to chapter 3, Laws of 2021, the grant awarded under this subsection must be reduced to reflect the amounts received from previous working Washington small business grants.)) If a business was awarded one or more working Washington small business grants after February 1, 2021, the grant award under this subsection may be reduced to reflect the amounts received from previous working Washington small business grants. The department may prioritize businesses and nonprofit organizations that have not yet received a grant under

the working Washington small business grant program.

(f) For purposes of this subsection, reopening costs include, but are not limited to:

- (i) Upgrading physical workplaces to adhere to new safety or sanitation standards;
 - (ii) Procuring required personal protective supplies for employees and business patrons and clients;
 - (iii) Updating business plans;
 - (iv) Employee costs, including payroll, training, and onboarding;
 - (v) Rent, lease, mortgage, insurance, and utility payments; and
 - (vi) Securing inventory, supplies, and services for operations.
- (g) Nonprofit organizations are eligible to receive funding under (b) or (c) of this subsection if they have a primary business activity that has been impacted as described in (b)(v) or (c)(iii) of this subsection.

(h) The department is authorized to shift funding among the purposes in (b) and (c) of this subsection based on overutilization or underutilization of the different types of grants.

(i) Of the total amount provided in this subsection, ((the department must prioritize allocating the funds as follows:

(A) \$25,000,000)) \$45,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for grants under (b) or (c) of this subsection to eligible businesses and nonprofit organizations in the arts, heritage, and science sectors, including those that operate live entertainment venues(; and

(B) \$25,000,000 for grants under (b) or (c) of this subsection to eligible businesses and nonprofit organizations located in counties that are in phase 2 of the governor's "healthy Washington: roadmap to recovery" plan at the time the business or nonprofit organization applies for funding)). The department must develop criteria for successful applications under this subsection in combination with the Washington state arts commission.

(87) \$138,000,000 of the general fund—federal appropriation (ARPA) is provided solely for the department to implement small business capital access and other credit support programs under the state small business credit initiative, pursuant to P.L. 117-2. The department may contract with other entities to implement the capital access program and other credit support programs. The department is highly encouraged to use local nonprofit community development financial institutions to deliver access to credit to the maximum extent allowed by federal law, rules, and guidelines. The department must apply for the maximum possible allocation of federal funding under P.L. 117-2, including but not limited to funds set aside for extremely small businesses and business enterprises owned and controlled by socially and economically disadvantaged individuals. The funding provided in this section also includes federal funds allocated to the state for technical assistance to businesses. The department must ensure businesses owned and controlled by socially and economically disadvantaged individuals, as defined in P.L. 117-2, have equitable access to program services.

(88)(a) \$6,000,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to create a grant program to reimburse local governments for eligible costs of providing emergency noncongregate sheltering during the COVID-19 public health emergency.

- (b) A city or county is eligible to apply for grant funding if it:
 - (i) Applies to the federal emergency management agency public assistance program for reimbursement of costs to provide emergency non-congregate sheltering; and
 - (ii) Incurs eligible costs.
 - (c) Eligible costs are costs to provide emergency noncongregate sheltering that:
 - (i) Were deemed eligible for reimbursement in the federal

emergency management agency policy 104-009-18, version 3, titled *FEMA emergency non-congregate sheltering during the COVID-19 public health emergency (interim)* and dated January 29, 2021; and

(ii) Are incurred by the applicant beginning January 21, 2021, through September 30, 2021.

(d) The department must give priority to applicants who demonstrate use of funds received under P.L. 117-2 for the acquisition, development, and operation of noncongregate sheltering.

(e) The department must coordinate with the military department to confirm that grant recipients have applied to the federal emergency management agency public assistance program for costs identified in their grant application.

(f) For the purposes of this subsection, "noncongregate sheltering" means sheltering provided in locations where each individual or household has living space that offers some level of privacy such as hotels, motels, or dormitories.

(89)(a) ((\$400,000)) \$225,000 of the general fund—state appropriation for fiscal year 2022 ((is) and \$175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to conduct a comprehensive equity review of state capital grant programs administered by the department. The department may, in consultation with interested parties identified in subsection (d) of this section, contract with a consultant to assist with the community engagement and review necessary to complete this review process.

(b) The purposes of this comprehensive equity review are: To reduce barriers to historically underserved populations' participation in the capital grant programs; to redress inequities in existing capital grant policies and programs; and to improve the equitable delivery of resources and benefits in these programs.

(c) In completing the comprehensive equity review required under this section, the department shall: (i) Identify changes to policy and operational norms and practices in furtherance of the equity review purposes identified in (b) of this subsection; (ii) identify new investments and programs that prioritize populations and communities that have been historically underserved by capital grant policies and programs; and (iii) include consideration of historic and systemic barriers that may arise due to any of the following factors: (A) Race; (B) ethnicity; (C) religion; (D) income; (E) geography; (F) disability; and (G) educational attainment.

(d) The department must collaborate with the Washington state commission on African American affairs; the Washington state commission on Asian Pacific American affairs; the Washington state commission on Hispanic affairs; the governor's office of Indian affairs; the governor's committee on disability issues and employment; the office of equity; the office of minority and women's business enterprises; the environmental justice council if established by passage of Engrossed Second Substitute Senate Bill No. 5141; and other interested parties as appropriate to develop and conduct a community engagement process to inform the review.

(e) The department shall complete the comprehensive equity review under this section and submit a final report, containing all of the elements and considerations specified in this section, to the legislature by June 30, 2022.

(90) ((\$23,000,000)) \$23,444,000 of the general fund—federal appropriation (ARPA) is provided solely for the HOME investment partnerships program pursuant to P.L. 117-2. Of the amount provided in this subsection, \$18,000,000 of the general fund—federal appropriation (ARPA) is provided solely for the department to issue competitive financial assistance to eligible organizations under RCW 43.185A.040 for the acquisition and development of noncongregate shelter units, subject to the

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following conditions and limitations:

(a) Grants provided under this subsection may be used to acquire real property for quick conversion into noncongregate shelter units or for renovation and building update costs associated with establishment of the acquired facilities. Grants provided under this subsection may not be used for operating or maintenance costs associated with providing housing, supportive services, or debt service. For the purposes of this subsection, "noncongregate" shelter units means units provided in locations where each individual or household has living space that offers some level of privacy, such as hotels, motels, or dormitories.

(b) Units acquired or developed under this subsection must serve qualifying individuals or families as defined in P.L. 117-2.

(c) The department must establish criteria for the issuance of the grants, which must follow the guidelines and compliance requirements of the housing trust fund program and the federal HOME investment partnership program. The criteria must include:

(i) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(ii) A detailed estimate of the costs associated with the acquisition and any updates or improvements necessary to make the property habitable for its intended use;

(iii) A detailed estimate of the costs associated with opening the units; and

(iv) A financial plan demonstrating the ability to maintain and operate the property and support its intended tenants throughout the end of the grant contract.

(d) The department must provide a progress report on its website by November 1, 2022. The report must include:

(i) The total number of applications and amount of funding requested; and

(ii) A list and description of the projects approved for funding including state funding, total project cost, number of units, and anticipated completion date.

(e) The funding in this subsection is not subject to the 90 day application periods in RCW 43.185.070 or 43.185A.050.

(91) \$391,000 of the general fund—state appropriation for fiscal year 2022 and \$391,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Pacific county to operate or participate in a drug task force to enhance coordination and intelligence while facilitating multijurisdictional criminal investigations.

(92) \$150,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to a nonprofit organization providing housing services in western Washington to conduct a master planning process for the development of a family-centered drug treatment and housing program. The grant recipient must be a nonprofit organization that has experience administering a comparable program in another region of the state. The program must provide housing units for families with members who have substance use disorders and who are involved in the child welfare system, and services including but not limited to case management, counseling, substance use disorder treatment, and parenting skills classes. The program site must be located within or in close proximity to King county, and include living quarters for families, space for services, and childcare and play areas for children. The nonprofit must include housing developers, service providers, and other interested parties in the master planning process. By December 31, 2021, the nonprofit must submit the plan to the department, the senate ways and means committee, and the house capital budget committee.

(93) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state

appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization to assist fathers transitioning from incarceration to family reunification. The grant recipient must have experience contracting with the department of corrections to support offender betterment projects and the department of social and health services to provide access and visitation services.

(94) ((\$7,500,000)) \$4,000,000 of the general fund—state appropriation for fiscal year 2022 and ((\$2,500,000)) \$6,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to community organizations that serve historically disadvantaged populations to conduct outreach and assist community members in applying for state and federal assistance programs, including but not limited to those administered by the departments of social and health services; commerce; and children, youth, and families. By June 31, 2023, the department must provide to the appropriate committees of the legislature a detailed report of the activities funded in this subsection. The report must include, but is not limited to:

(a) A list of grant recipients, their location, and the grant amount each received;

(b) Input from grantees on best practices for engagement with populations experiencing systemic inequities;

(c) Suggestions from the department and grant recipients on how to engage populations experiencing systemic inequities with future programming; and

(d) Other information and recommendations on need for this type of outreach work in future grant programs.

(95) \$375,000 of the general fund—state appropriation for fiscal year 2022 and \$375,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to accelerate implementation of the low-income rural home rehabilitation program by contracting with up to seven home rehabilitation agencies, as defined under WAC 365-175-030, in a variety of regions of the state. Funding provided in this subsection may be used by home rehabilitation agencies for program support in order to increase the number of households participating in the program. Home rehabilitation agencies receiving funding under this subsection must provide the department with a summary of their direct and indirect costs associated with implementing the program.

(96) \$450,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for pre-development activities for state-operated or contracted residential or supportive housing facilities at the Pacific hospital preservation and development authority buildings three through ten in Seattle, to help carry out Washington state's plans for new community-based residential facilities, including supportive housing. The facilities may be used for behavioral health, long-term care, developmentally disabled community housing, recovery residences, state-operated living alternatives, group homes, or family-centered substance use disorder recovery housing. The amounts provided in this subsection may be used for concept development, planning, lease payments, and other related expenses for pre-development of state- or nonprofit-operated residential facilities identified by the health care authority or the departments of social and health services, children, youth, and families, and commerce. The department is authorized to enter into a short-term lease, with an option to enter into a multiyear extension, for the Pacific hospital preservation and development authority quarters buildings three through ten.

(97) \$80,000 of the general fund—state appropriation for fiscal year 2022 and \$80,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization dedicated to supporting forest health restoration located in Okanogan county for work toward a biochar research

and demonstration project and initial efforts toward full-size operation of an industrial-sized facility in the Methow valley.

(98) \$6,800,000 of the general fund—state appropriation for fiscal year 2022 and (((\$8,200,000)) \$15,700,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for grants ((to crime victim services providers for victim assistance programs. The department must distribute the funds in accordance with the methodologies used to distribute federal victims of crime act victim assistance funding)) to ensure continuity of crime victim services impacted by reductions in federal victims of crime act funding and help address increased demand for crime victim services attributable to the COVID-19 pandemic. The department shall consult with crime victim service providers and other stakeholders to inform a plan to invest any amount above what is required to maintain existing services in immediate, short-term needs and in a manner that is consistent with the office of crime victims advocacy's state plan.

(99)(a) (((\$225,000)) \$115,000) of the general fund—state appropriation for fiscal year 2022 and (((\$225,000)) \$335,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to appoint and maintain an aviation and aerospace advisory committee to generally advise the director of the department and the secretary of the department of transportation on matters related to aviation and aerospace in Washington state. The advisory committee must develop recommendations regarding operating budget and capital budget requests relating to aviation and aerospace needs, and strategies to enhance the safe and effective use of public use airports and aerospace facilities in Washington state. The aviation and aerospace advisory committee must also advise the director and secretary, or their designees, and make recommendations on the following matters:

- (i) Employment of emerging aviation and aerospace technologies to include unmanned, autonomous, and alternative propulsion systems;
- (ii) New, changed, or proposed federal regulations;
- (iii) Industry needs to remain nationally and internationally competitive;
- (iv) Policy considerations;
- (v) Funding priorities and capital project needs;
- (vi) Methods to reduce greenhouse gas emissions;
- (vii) Workforce development needs and opportunities;
- (viii) Multimodal requirements; and
- (ix) Other matters pertaining to the aviation and aerospace industries as the aviation and aerospace advisory committee deems appropriate.

(b) The director of the department of commerce, or the director's designee, shall appoint members to the aviation and aerospace advisory committee including, at a minimum:

- (i) Two county commissioners, one from east of the crest of the Cascade mountains and one from west of the crest of the Cascade mountains;
- (ii) An owner of an aviation company and an owner of an aerospace company or their representatives;
- (iii) The director of the aviation division of the department of transportation, or the director's designee;
- (iv) Two individuals who are top executive officials of a commercial service airport, typically with the title of chief executive officer, airport director, or executive director, one from an airport located east of the crest of the Cascade mountains and one from an airport located west of the crest of the Cascade mountains;
- (v) Advisory members from the federal aviation administration;
- (vi) The aerospace lead from the department of commerce or a representative of the department;

(vii) A representative of a statewide environmental organization;

(viii) A representative of the military department;

(ix) A representative of the state board for community and technical colleges;

(x) Representatives from airport associations;

(xi) Representatives from an aviation and aerospace educational program; and

(xii) Representatives from both aviation and aerospace associations.

(c) The director of the department and the secretary of the department of transportation, or their designees, shall serve as the administrative cochair of the aviation and aerospace advisory committee.

(d) The department must provide staff support for all aviation and aerospace advisory committee meetings.

(e) The aviation and aerospace advisory committee must meet at the call of the administrative cochair for any purpose that directly relates to the duties set forth in (a) of this subsection, or as otherwise requested by the director, secretary, or their designees as the administrative cochair.

(f) In consultation with the aviation and aerospace advisory committee, the department must develop a strategic plan for the department's aerospace, aviation, and airport economic development program. The strategic plan should identify: (i) Changing market conditions in the aerospace industry; (ii) emerging opportunities to diversify and grow Washington's aerospace sector; and (iii) strategies and action steps to build on the state's core strengths in aerospace infrastructure and workforce expertise to diversify and grow employment in Washington's aerospace sector. The department must submit the strategic plan to the appropriate committees of the legislature by June 30, 2023.

(g) The cochair may seek recommendations and input from the aviation and aerospace advisory committee to inform the legislature on aviation and aerospace issues.

(100)(a) (((\$300,000)) \$270,000) of the general fund—state appropriation for fiscal year 2022 ((is)) and \$30,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to convene a work group on reducing racial disparities in Washington state homeownership rates. The goals of the work group are to assess perspectives on housing and lending laws, policies, and practices; facilitate discussion among interested parties; and develop budgetary, administrative policy, and legislative recommendations.

(b) The director of the department, or the director's designee, must chair the work group. The department must, in consultation with the Washington state office of equity and the governor's office of Indian affairs, appoint a minimum of twelve members to the work group representing groups including but not limited to:

- (i) Organizations and state entities led by and serving Black, indigenous, and people of color;
- (ii) State or local government agencies with expertise in housing and lending laws;
- (iii) Associations representing cities and housing authorities; and
- (iv) Professionals from private-sector industries including but not limited to banks, credit unions, mortgage brokers, and housing developers.

(c) The department must convene the first meeting of the work group by August 1, 2021. The department must submit a final report to the governor and appropriate committees of the legislature by August 1, 2022. The final report must:

- (i) Evaluate the distribution of state affordable housing funds and its impact on the creation of homeownership units serving Black, indigenous, and people of color;

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(ii) Evaluate the eligibility requirements, access, and use of state-funded down payment assistance funds, and their impact on homeownership rate disparities;

(iii) Review barriers preventing Black, indigenous, and people of color from accessing credit and loans through traditional banks for residential loans; and

(iv) Provide budgetary, administrative policy, and legislative recommendations to increase ownership unit development and access to credit.

(101) \$225,000 of the general fund—state appropriation for fiscal year 2022 and \$225,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to convene a task force to make recommendations regarding needed reforms to the state's growth policy framework, including the growth management act, state environmental policy act, and other statutes related to growth, change, economic development, housing, social equity, and environmental conservation. The process will build upon the findings, concepts, and recommendations in recent state-funded reports, including the "road map to Washington's future" issued by the William D. Ruckelshaus center in 2019, the report of the environmental justice task force issued in 2020, and "updating Washington's growth policy framework" issued by the University of Washington in 2021. The task force must involve diverse perspectives including but not limited to representatives of counties, cities, special districts, the real estate, building, and agricultural industries, planning and environmental organizations, tribal governments, and state agencies. Special effort must be made to include in these discussions the lived experiences and perspectives of people and communities who have too often been excluded from public policy decision-making and unevenly impacted by those decisions. The work group must report on its activities and recommendations prior to the 2022 and 2023 legislative sessions.

(102) \$80,000 of the general fund—state appropriation for fiscal year 2022 and \$80,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization located in the city of Seattle for providing resident services and on-site programming for affordable housing residents in Delridge, supporting local youth with leadership pathways, and other community development initiatives that improve the health and well-being of southwest Seattle residents.

(103) \$61,000 of the general fund—state appropriation for fiscal year 2022 and \$31,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for San Juan county health and community services to enter into an agreement with the United States geological survey to evaluate available groundwater, surface water, and meteorological data for the county, complete recharge estimations for the county, and update the water balance for the county.

(104) \$140,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to contract with businesses ending slavery and trafficking for a human trafficking initiative.

(a) Of the amounts provided in this subsection, \$60,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to extend job readiness services and employment opportunities for survivors of human trafficking and persons at risk of human trafficking, in near-airport communities in south King county.

(b) Of the amounts provided in this subsection, \$80,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to develop a national awareness campaign. The campaign will increase signage in seaports, airports, and near-airport communities so that people who are vulnerable to trafficking or

experiencing human trafficking can access assistance through the national human trafficking hotline.

(105) \$278,000 of the general fund—state appropriation for fiscal year 2022 and \$277,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization within the city of Tacoma for social services and educational programming to assist Latino and indigenous communities in honoring heritage and culture, becoming proficient in civic education, and overcoming barriers to social, political, racial, economic, and cultural community development.

(106) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to provide college accredited courses through alternative methods to disadvantaged adults, such as those experiencing homelessness, who are low-income, come from generational poverty, or have a disabling condition, including those that are further impacted by systemic racism, who do not believe they can be successful or have not yet contemplated college for their future with the intent of engaging these individuals in further education to increase their lifelong wage potential.

(107)(a) (((\$351,000)) \$151,000 of the general fund—state appropriation for fiscal year 2022 and (((\$332,000)) \$532,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a nonprofit organization with demonstrated expertise in the creative arts and strategic planning to establish a Washington state creative economy work group that within two years, and with the advice of the work group, develops a strategic plan to improve the Washington state creative economy that can be rolled out in incremental phases to reach identified economic, social justice, and business development goals.

(b) The goal of the strategic plan must be to ensure that the state of Washington is competitive with respect to attracting creative economy business, retaining talent within the state, and developing marketable content that can be exported for national and international consumption and monetization. The strategic plan must address support for the creative community within historically marginalized communities, as well as the creative economy at large, and take into account the diverse interests, strengths, and needs of Washington's population on both sides of the Cascade mountains.

(c) The chair of the work group must be the director of the nonprofit organization contracted with by the department or the director's designee, and must have significant experience working as an artist, producer, or director and in business development, including drafting business plans and multidisciplinary planning documents. The chair must appoint representatives to the work group who represent the range of demographic diversity across the state of Washington, including:

(i) A representative from the Washington state association of counties;

(ii) A representative from the association of Washington cities;

(iii) A representative from the Washington state arts commission;

(iv) A representative from the Washington state labor council;

(v) A representative from the banking industry with experience in matters involving the federal small business administration;

(vi) An appropriate number of representatives from the Washington state arts community including, but not limited to, the following sectors:

(A) Film, television, and video production;

(B) Recorded audio and music production;

(C) Animation production;

- (D) Video game development;
 - (E) Live theater, orchestra, dance, and opera;
 - (F) Live music performance;
 - (G) Visual arts, including sculpture, painting, graphic design, and photography;
 - (H) Production facilities, such as film and television studios; and
 - (I) Live music or performing arts venues;
- (vii) A representative from a certified public accounting firm or other company with experience in financial modeling and in the creative arts;
- (viii) A representative selected by the Washington state commission on African American affairs, the Washington state commission on Hispanic affairs, the governor's office of Indian affairs, and the Washington state commission on Asian Pacific American affairs to represent the entities on the work group;
- (ix) A representative of a federally recognized Indian tribe with a reservation located east of the crest of the Cascade mountains;
- (x) A representative of a federally recognized Indian tribe with a reservation located west of the crest of the Cascade mountains; and
- (xi) Other state agency representatives or stakeholder group representatives, at the discretion of the work group, for the purpose of participating in specific topic discussions.
- (d) In developing the strategic plan for the Washington state creative economy, the work group must:
- (i) Identify existing studies of aspects affecting the creative economy, including studies relating to tax issues, legislation, finance, population and demographics, and employment;
 - (ii) Conduct a comparative analysis with other jurisdictions that have successfully developed creative economy plans and programs, including the states of Georgia and New Mexico, and the provinces of British Columbia and Ontario, Canada;
 - (iii) Conduct in-depth interviews to identify best practices for structuring a strategic plan for the state of Washington;
 - (iv) Evaluate existing banking models for financing creative economy projects in the private sector and develop a financial model to promote investment in Washington's creative economy;
 - (v) Evaluate existing state and county tax incentives and make recommendations for improvements to support the creative economy;
 - (vi) Identify the role that counties and cities play with respect to the strategic plan, and identify specific counties and cities that may need or want a stronger creative economy;
 - (vii) Identify opportunities for synergies with new business models and the integration of new technologies; and
 - (viii) Identify the role that state education programs in the creative arts play in the creative economy and with respect to advancing the strategic plan.
- (e) The department of commerce shall facilitate the timely transmission of information and documents from all appropriate state departments and agencies to the nonprofit organization contracted under this subsection. The work group must report its findings and recommendations to the appropriate committees of the legislature by December 1, 2022. The contracted nonprofit must administer the expenses of the work group.
- (108) ((\$300,000)) \$153,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$147,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit museum and science and technology center located in the city of Seattle that provides youth educational programming related to discovery, experimentation, and critical thinking in the sciences for a maker and innovation lab and to develop and operate new experiential learning opportunities.
- (109) \$125,000 of the general fund—state appropriation for

fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to contract with a statewide association that supports a network of local asset building coalitions for programs to increase the financial stability of low-income Washingtonians adversely affected economically by COVID-19 through increasing participation in earned income tax credit refunds, the Washington retirement marketplace, and programs that build personal savings.

(110) ((\$421,000)) \$971,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$3,561,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to continue starting up the Washington state office of firearm safety and violence prevention, including the creation of a state and federal grant funding plan to direct resources to cities that are most impacted by community violence. Of the amounts provided in this subsection:

(a) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$600,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for community-based violence prevention and intervention services to individuals identified through the King county shots fired social network analysis. The department must complete an evaluation of the program and provide a report to the governor and the appropriate legislative committees by June 30, 2023.

(b)(i) \$450,000 of the general fund—state appropriation for fiscal year 2022 and \$1,800,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant program through the office of firearm safety and violence prevention for evidence-based services to youth who are at high risk to perpetrate gun violence and who reside in areas with high rates of gun violence. Priority shall be given to:

(A) One site serving in Yakima county, one site in south King county, one site in Federal Way, and one site in Tacoma;

(B) Sites that partner with the University of Washington public behavioral health & justice policy division to deliver culturally relevant family integrated transition services through use of credible messenger advocates;

(C) Sites that partner with the University of Washington Harborview firearm injury and policy research program for social impact evaluation; and

(D) Sites that partner an organization focused on evidence-based implementation management identified by the department.

(ii) The department must complete an evaluation of the program and provide a report to the governor and the appropriate legislative committees by June 30, 2023.

(111) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to conduct a study and report to the legislature on city and county implementation of the multifamily housing property tax exemption. The report must:

(a) Review whether cities have practices in five areas:

(i) Evaluating the financial feasibility and total costs of proposed developments under the exemption;

(ii) Monitoring rent, occupancy, and demographics of tenants of exempt housing;

(iii) Identifying direct or indirect displacement risks, and changes in income and rent distributions associated with new housing development, and plans and approaches;

(iv) Identifying practices that encourage permanent affordable rental opportunities; and

(v) Monitoring whether the exemption assists cities in meeting goals under the growth management act;

(b) Identify at least five case studies on a range of cities and provide analysis:

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(i) Comparing the rent in income restricted units to market rate units in the same development and to the surrounding area;

(ii) Comparing the anticipated impact on rents and project budgets, and on public benefit under eight-year, 12-year, and 20-year property tax exemption scenarios;

(iii) Looking at permanent affordable rentals; and

(iv) Evaluating changes in income distribution, rent distribution, commute/location, and displacement risks in areas with exempt housing; and

(c) Estimate other state and local tax revenue generated by new housing developments and how it compares to the property tax exemption.

(112) \$195,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to Spokane county for costs related to redistricting activities required by chapter 36.32 RCW.

(113) \$130,000 of the general fund—state appropriation for fiscal year 2022 and \$130,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a nonprofit organization to provide tiny homes for veterans.

(114) ((\$210,000)) \$170,000 of the general fund—state appropriation for fiscal year 2022 and ((\$90,000)) \$130,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to perform an analysis of the property operations and maintenance costs and tenant supportive services costs for affordable housing projects that receive funding from the Washington housing trust fund. The projects to be analyzed must include, but are not limited to, permanent supportive housing and youth housing taking into consideration housing projects that have been in service for a sufficient time that actual costs can be determined. The analysis shall include a categorized overview of the expenses and fund sources related to the maintenance, operations, and supportive services necessary for the affordable housing projects to be successful in housing the intended population, as well as identify other available funding sources for these costs. The analysis must also explore the timing and alignment challenges for pairing operational and supportive services funding with the initial capital investments, and make recommendations relating to any benchmarks that can be established regarding future costs that would impact the operating budget, and about the state's role in planning, support, and oversight to ensure long-term sustainability of these projects. The department may hire a consultant to conduct this study. The department shall report its findings and recommendations to the office of financial management and the appropriate committees of the legislature by December 1, 2022.

(115) \$157,000 of the general fund—state appropriation for fiscal year 2022 and \$154,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute Senate Bill No. 5383 (public telecom services). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(116) \$1,555,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$1,592,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5141 (environmental justice task force). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(117) \$946,000 of the general fund—state appropriation for fiscal year 2022 and \$921,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute Senate Bill No. 5368 (rural economic development). ((If the bill is not enacted by June 30,

2021, the amounts provided in this subsection shall lapse.))

(118) \$114,000 of the general fund—state appropriation for fiscal year 2022 and \$110,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5287 (affordable housing incentives). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(119) \$250,000 of the general fund—state appropriation for fiscal year 2022 and ((\$250,000)) \$1,026,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Senate Bill No. 5345 (industrial waste program). Of the amounts provided in this subsection, \$175,000 of the general fund—state appropriation for fiscal year 2022 and ((\$175,000)) \$951,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to local industrial waste symbiosis projects as provided in the bill. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(120) ((\$1,250,000)) \$700,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,250,000)) \$1,800,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5353 (law enforcement community engagement). Of the amounts provided in this subsection, ((\$500,000)) \$50,000 of the general fund—state appropriation for fiscal year 2022 and ((\$500,000)) \$950,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants awarded under this bill. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(121) \$66,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Second Substitute Senate Bill No. 5183 (nonfatal strangulation). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(122) \$40,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Substitute Senate Bill No. 5126 (climate commitment). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(123) \$2,500,000 of the general fund—state appropriation for fiscal year 2022 and \$2,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to administer a competitive grant program for grants to community-based programs to provide reentry services for formerly incarcerated persons and supports to facilitate successful transitions to the community. The department must work in collaboration with the statewide reentry council to administer the program. Applicants must provide a project proposal to the department as a part of the application process. Grant awards provided under this subsection may be used for costs including but not limited to housing, case management and navigators, employment services, family reunification, and legal services to respond to collateral impacts of reentry. The department must award at least 30 percent of the funding provided in this subsection to applicants located in rural counties.

(124) ((\$2,500,000)) \$2,000,000 of the general fund—state appropriation for fiscal year 2022 and ((\$2,500,000)) \$3,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to administer grants to diaper banks for the purchase of diapers, wipes, and other essential baby products, for distribution to families in need. The department must give priority to providers serving or located in marginalized, low-income communities or communities of color; and providers that help support racial equity.

(125)(a) \$5,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to provide grant funds to Clallam county to support the preservation of private marine transportation activities and jobs associated with such activities that have been directly impacted by the closure of the United States-Canada border during the COVID-19 pandemic.

(b) To be eligible for a grant from the county under this subsection the business must:

- (i) Apply for or have applied for the grant from the county;
- (ii) Have expenses that are necessary to continue business operations and the expense is not a federal, state, or local tax, fee, license, or other government revenue;
- (iii) Provide documentation to demonstrate that the expense is not funded by any other government or private entity;
- (iv) Demonstrate the business was actively engaged in business, and as a result of the border closures the business temporarily totally closed operations;
- (v) Have experienced at least a significant reduction in business income or activity related to United States-Canada border closures;
- (vi) Agree to operate in accordance with the requirements of applicable federal, state, and local public regulations including health and safety measures;
- (vii) Demonstrate significant economic contribution of their business to the state and local economy; and
- (viii) Be a majority United States owned entity operating a United States flag vessel registered and operated under the laws of the United States.

(c) Grant funds may be used only for expenses incurred on or after March 1, 2020. Eligible expenses for grant funds include:

- (i) Upgrading physical workplaces to adhere to new safety or sanitation standards;
- (ii) Procuring required personal protective supplies for employees and business patrons and clients;
- (iii) Updating business plans;
- (iv) Employee costs, including payroll, training, and onboarding;
- (v) Rent, lease, mortgage, insurance, and utility payments;
- (vi) Securing inventory, supplies, and services for operations; and
- (vii) Maintenance and operations costs associated with vessel operations.

(d) The county must submit a report to the department by June 30, 2022, outlining the use of funds, specific expenditures of the grantees, and revenue and expenses of the grantees including additional government or private funds or grants received.

(126) ((\$1,656,000)) \$1,162,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,615,000)) \$2,109,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to publish the guidelines and guidance set forth in (a), (b), and (c) of this subsection. The department shall publish the guidelines and guidance described in (a), (b), and (c) of this subsection no later than June 30, 2023. From amounts provided in this subsection, pursuant to an interagency agreement, the department shall provide funding to the department of ecology, the department of health, the department of fish and wildlife, the department of natural resources, the department of health, and the emergency management division of the military department to fund activities that support the work specified in (a), (b) and (c) of this subsection.

(a) The department, in consultation with the department of ecology, the department of health, and the department of transportation, shall publish guidelines that provide a set of actions counties and cities may take, under existing statutory

authority, through updates to their comprehensive plans and development regulations that have a demonstrated ability to reduce greenhouse gas emissions in order to achieve the statewide greenhouse gas emissions reductions set forth in RCW 70A.45.020(1), allowing for consideration of the emissions reductions achieved through the adoption of statewide programs. The guidelines must prioritize reductions in communities that have experienced disproportionate harm due to air pollution and may draw upon the most recent health disparities data from the department of health to identify high pollution areas and disproportionately burdened communities.

(b) The department, in consultation with the department of transportation, shall publish guidelines that specify a set of actions counties and cities may take through updates to their comprehensive plans and development regulations that have a demonstrated ability to reduce per capita vehicle miles traveled, including measures that are designed to be achievable throughout the state, including in small cities and rural cities.

(c) The department shall develop, in collaboration with the department of ecology, the department of fish and wildlife, the department of natural resources, the department of health, and the emergency management division of the military department, as well as any federally recognized tribe who chooses to voluntarily participate, guidance that creates a model climate change and resiliency element that may be used by counties, cities, and multiple-county planning regions for developing and implementing climate change and resiliency plans and policies subject to the following provisions:

- (i) The model element should provide guidance on identifying, designing, and investing in infrastructure that supports community resilience to climate impacts, including the protection, restoration, and enhancement of natural infrastructure as well as traditional infrastructure and protecting natural areas resilient to climate impacts, as well as areas of vital habitat for safe passage and species migration;
- (ii) The model element should provide guidance on identifying and addressing natural hazards created or aggravated by climate change, including sea level rise, landslides, flooding, drought, heat, smoke, wildfires, and other effects of reasonably anticipated changes to temperature and precipitation patterns;
- (iii) The model element must recognize and promote as many cobenefits of climate resilience as possible, such as salmon recovery, ecosystem services, and supporting treaty rights; and
- (iv) The model element must prioritize actions in communities that will disproportionately suffer from compounding environmental impacts and will be most impacted by natural hazards due to climate change and may draw upon the most recent health disparities data from the department of health to identify disproportionately burdened communities.

(d) If the department publishes any subsequent updates to the guidelines published pursuant to (a) or (b) of this subsection, the department shall include in any such update a determination of whether adequate progress has been made toward the statewide greenhouse gas and per capita vehicle miles traveled reduction goals. If adequate progress is not being made, the department must identify in any updates to the guidelines what additional measures cities and counties may take in order to make further progress.

(e) The department, in the course of implementing this subsection, shall provide and prioritize options that support housing diversity and that assist counties and cities in meeting greenhouse gas emissions reduction and other requirements established under chapter 70A.45 RCW.

(127) \$240,000 of the general fund—state appropriation for fiscal year 2022 and \$95,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the

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department to collaborate with the department of children, youth, and families to jointly convene and facilitate a child care collaborative task force to continue the work of the task force created in chapter 368, Laws of 2019 (2SHB 1344) to establish a true cost of quality of child care. The task force shall report its findings and recommendations to the governor and the appropriate committees of the legislature by November 1, 2022.

(128) \$10,000,000 of the Washington housing trust account—state appropriation is provided solely for housing that serves people with intellectual and developmental disabilities.

(129) \$10,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department for grants for updating and implementing comprehensive plans and development regulations in order to implement the requirements of the growth management act.

(a) In allocating grant funding to local jurisdictions, awards must be based on a formula, determined by the department, to ensure that grants are distributed equitably among cities and counties. Grants will be used primarily to fund the review and update requirements for counties and cities required by RCW 36.70A.130. Funding provided on this formula basis shall cover additional county and city costs, if applicable, to implement chapter 254, Laws of 2021 (Engrossed Second Substitute House Bill No. 1220).

(b) Within the amounts not utilized under (a) of this subsection, the department shall establish a competitive grant program to implement requirements of the growth management act.

(c) Up to \$500,000 per biennium may be allocated toward growth management policy research and development or to assess the ongoing effectiveness of existing growth management policy.

(d) The department must develop a process for consulting with local governments, affected stakeholders, and the legislature to establish emphasis areas for competitive grant distribution and for research priorities. The department must complete a report on emphasis areas and research priorities by June 30, 2023.

(130) \$87,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1914 (motion picture program). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(131) \$4,500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to the city of Seattle for deposit into the Skagit environmental endowment fund to support the protection of the headwaters of the Skagit river watershed through the acquisition of land, mining, and/or timber rights. This grant must be matched by nonstate sources.

(132)(a) \$45,050,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a targeted grant program to transition persons residing on state-owned rights-of-way to safer housing opportunities, with an emphasis on permanent housing solutions. Eligible grant recipients include local governments and nonprofit organizations operating to provide housing or services. Recipients may use grant funding to provide outreach, housing, transportation, and other services needed to assist individuals residing on public rights-of-way with moving into housing.

(b) Prior to awarding grants under (a) of this subsection, the department must work with the department of transportation, representatives of local governments, and representatives of nonprofit housing and homeless services providers to determine the process and criteria that will be used to award grants. Grant criteria must include, but are not limited to:

(i) Whether a site where the grantee will conduct outreach and engagement has been identified by the department of transportation as a location where individuals residing on the

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public right-of-way are in specific circumstances or physical locations that expose them to especially or imminently unsafe conditions, including but not limited to active construction zones and risks of landslides, or when the location of an individual poses a significant threat to the safety of others;

(ii) Local government readiness and capacity to enter into and fulfill the grant requirements as applicable; and

(iii) Other criteria as identified by the department.

(c) When awarding grants under (a) of this subsection, the department must prioritize applicants that focus on permanent housing solutions.

(d) Grant recipients under (a) of this subsection must enter into a memorandum of understanding with the department, and other state agencies if applicable, as a condition of receiving funds. Memoranda of understanding must specify the responsibilities of the grant recipients and the state agencies, and must include specific measurable outcomes for each entity signing the memorandum. The department must publish all signed memoranda on the department's website and must publish an update on outcomes for each memorandum at least every 60 days. At a minimum, outcomes must include:

(i) The number of people living on the right-of-way whom the parties engage;

(ii) The demographics of those engaged;

(iii) The type and duration of engagement with individuals living on rights-of-way;

(iv) The types of housing options that were offered;

(v) The number of individuals who accepted offered housing;

(vi) The types of assistance provided to move individuals into offered housing;

(vii) Any services and benefits in which an individual was successfully enrolled; and

(viii) The housing outcomes of individuals who were placed into housing six months and one year after placement.

(e) Grant recipients under (a) of this subsection may not transition individuals from public rights-of-way unless they in good faith offer individuals a housing option that is safer than their current living situation. The department must establish criteria regarding the safety, accessibility, and habitability of housing options to be offered by grant recipients to ensure that such options are a meaningful improvement over an individual's current living situation and that grant recipients provide options that are well-matched to an individual's assessed needs.

(f) The department must submit a preliminary report to the appropriate policy and fiscal committees of the legislature by December 15, 2022, and a full report by September 30, 2023. The reports must identify barriers to housing and gaps in services that prevented or otherwise impacted the housing outcomes of individuals engaged by the grantees, and policy and budgetary recommendations to improve the transition of individuals residing on public rights-of-way to permanent housing.

(133) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a consultant to study incorporating the unincorporated communities of Fredrickson, Midland, North Clover Creek-Collins, Parkland, Spanaway, Summit-Waller, and Summit View into a single city. The study must include, but not be limited to, the impacts of incorporation on the local tax base, crime, homelessness, infrastructure, public services, and behavioral health services, in the listed communities. The department must submit the study to the office of financial management and the appropriate committees of the legislature by June 1, 2023.

(134) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to develop a community reinvestment plan to guide the distribution of grants

from the community reinvestment account created in section 947 of this act.

(a) The department shall, in partnership with the office of equity, and "by and for community organizations" as defined by the office of equity, develop a community reinvestment plan for how funds would be distributed to address racial, economic, and social disparities in communities across the state created by the historical design and enforcement of state and federal criminal laws and penalties for drug possession. The community reinvestment plan should address funding in the following areas:

(i) Economic development, which includes addressing wealth disparities to promote asset building such as home ownership and expanding access to financial resources including, but not limited to, grants and loans for small businesses and entrepreneurs, financial literacy training, and other small business training and support activities;

(ii) Civil and criminal legal assistance to provide postconviction relief and case assistance, including the expungement of criminal records and vacation of criminal convictions;

(iii) Community-based violence intervention and prevention services; and

(iv) Reentry services to facilitate successful transitions for persons formerly incarcerated in an adult correctional facility or juvenile residential facility in Washington.

(b) The plan must include a timeline for regular review by the department and the office of equity, criteria for eligible communities and programs, development of accountability measures to ensure that distribution and use of funding meets intended purposes, and tracking of outcomes for the funds. At a minimum, the plan must address how the community reinvestment account funding will:

(i) Produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;

(ii) Result in significant long-term economic benefits in the form of new jobs, job retention, increased personal wealth, or higher incomes for citizens of the state or a particular community in the state; and

(iii) Ensure that:

(A) Projects or programs do not require continuing state support;

(B) An expenditure will not supplant private investment;

(C) An expenditure is accompanied by additional public or private investment; and

(D) Nonprofit, faith-based, and grassroots organizations are prioritized for funding.

(c) In developing the plan, the department is encouraged to incorporate existing and ongoing work from relevant task forces and work groups including, but not limited to, the social equity in cannabis task force, the reentry council, and the homeownership disparities work group.

(d) The department shall submit a preliminary report to the governor and relevant committees of the legislature by December 1, 2022. A final report on the implementation plan must be submitted to the governor and relevant committees of the legislature by June 30, 2023.

(135) \$10,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to conduct outreach activities for the working families tax exemption established in RCW 82.08.0206 and the federal earned income tax credit. Of the amounts provided in this subsection:

(a) \$6,860,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to community-based organizations to conduct outreach activities and application assistance for individuals eligible for the working families tax exemption. In awarding the funds, the department must award

grants to at least two community-based organizations in each county. Of the amounts provided in this subsection (135)(a), 25 percent must be used for outreach activities serving tribal and urban Indian communities, communities of color, and households in rural areas.

(b) \$2,860,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to community-based organizations to conduct outreach activities and application assistance for individuals eligible for the working families tax exemption who file or may be eligible to file using a valid individual taxpayer identification number. Grant recipients may also use grant funds to assist individuals in obtaining valid individual tax identification numbers.

(c) \$280,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide oversight, technical assistance, and training for grant recipients; conduct language access activities; create a statewide outreach plan; and for other administrative costs.

(136) \$5,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for grants to nonprofit arts, heritage, science, and culture organizations for costs associated with COVID-19 testing and safety monitoring required by state and local governments and by union contracts. To receive a grant under this section, an applicant must certify that they have reported annual gross receipts of greater than \$5,000,000 in calendar year 2019, and that they applied for but did not receive funding from a state or federal source for the same eligible costs.

(137) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization to provide programming that offers pathways to higher education and career opportunities in the arts, entertainment, and related creative industries for youth and young adults in south King county, with a focus on low-income individuals and historically disadvantaged populations. The grant recipient must be a nonprofit organization headquartered in the city of Federal Way that: Has experience working with BIPOC communities; serves youth and young adults through programs focused on cultivating creative talents through the professional entertainment and arts industries; can directly facilitate the placement of program participants in industry-related internships and job opportunities; and can demonstrate a working relationship or strategic partnerships with global commercial entertainment and digital arts industry experts, networks, and companies in areas such as music, film, television, and fashion. The organization may use the grant for activities including, but not limited to, workshops and other events that support the goal of improving the business and professional skills of youth and young adults interested in the arts and entertainment industries.

(138) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a third-party facilitator to provide staff support for the joint legislative task force on best practices for broadband deployment created in section 945 of this act.

(139) \$75,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department of commerce to develop a report on the behavioral health and long-term care facilities and residential settings that provide services within the continuum of care for individuals who are discharged from state psychiatric hospitals. For the purposes of this subsection, "continuum of care" means transitional housing or residential placements that provide supportive services and skill development needed for individuals to be permanently housed, and permanent supportive housing or residential placements that provide individuals with an appropriate place to

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live with services available as needed. The report must map the geographic location of each facility or residential setting, and it must highlight geographic gaps in service availability. In preparing the report, the department must coordinate with the department of social and health services, the department of health, and the health care authority. The department must submit its report to the governor and appropriate legislative committees no later than December 1, 2022.

(140) \$5,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to establish a grant program to assist businesses and nonprofits that are dependent to maintain their operations on the economic activity created through conventions hosted in Washington state. The amount provided under this subsection is subject to the following conditions and limitations:

(a) To be eligible for a grant under this subsection, a business must:

- (i) Apply for or have applied for the grant;
- (ii) Have not reported annual gross receipts of more than \$100,000,000 in calendar year 2019;
- (iii) Have expenses that are necessary to continue business operations and the expense is not a federal, state, or local tax, fee, license, or other government revenue;
- (iv) Self-attest that the expense is not funded by any other government or private entity;
- (v) Have experienced a reduction in business income or activity related to COVID-19 or state or local actions in response to COVID-19;
- (vi) Agree to operate in accordance with the requirements of applicable federal, state, and local public health guidance and directives; and
- (vii) Have met one or more of the following criteria:
 - (A) Hosted a convention in Washington state;
 - (B) Provided support services to conventions in Washington state; or
 - (C) Depended on the function of conventions to sell goods and services in Washington state.

(b)(i) Eligible businesses may receive a grant of up to \$500,000 for revenue lost due to a cancellation or a reduction of participants in a convention hosted in Washington state in 2020 or 2021.

(ii) To receive a grant under this subsection, eligible businesses must provide the department with:

- (A) Financial records from 2019 that provide a basis for revenue received from convention activity in Washington state prior to the COVID-19 pandemic; and
 - (B) Financial records from 2020 and 2021 that show a reduction in gross revenue received from convention activity in Washington state during the COVID-19 pandemic.
- (iii) If a business received one or more working Washington small business grants, the grant awarded under this subsection must be reduced to reflect the amounts received from previous working Washington small business grants.

(c) Nonprofit organizations are eligible to receive funding under this subsection if they have a primary business activity that has been impacted as described in (a)(v) of this subsection.

(d) The department may use up to 10 percent of the amount provided in this subsection for administrative costs.

(141) \$325,000 of the general fund—state appropriation for fiscal year 2022 and \$325,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization located in the city of Redmond that serves Latino low-income, immigrant, and Spanish-speaking communities in King and Snohomish counties through arts and culture events and community services. Grant funding may be used to expand existing programs including, but not limited to,

rent assistance, vaccination assistance, COVID-19 outreach, microbusiness support, and other community services.

(142) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a program to build capacity and promote the development of nonprofit community land trust organizations in the state. Funds shall be granted by the department to one or more nonprofit organizations with technical expertise on community land trusts. These funds shall be used to provide technical assistance and training to help community land trusts increase the production of affordable housing.

(143) \$900,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization to conduct community outreach and culturally relevant training on prevention of digital fraud and other consumer fraud, with a focus on serving low-income, rural, and BIPOC communities. The grant recipient must be the Washington state affiliate of a national nonprofit organization that provides services, research, and advocacy for individuals aged 50 and up. Funding may be used to expand existing consumer fraud education programs; partner with locally trusted community-based organizations to provide public awareness of digital and other consumer fraud; and conduct research to capture baseline data regarding digital and fraud literacy in Washington state.

(144) \$631,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the developmental disabilities council's efforts to partner with racially diverse communities across the state and to build the capacity of a coalition of intellectual and developmental disabilities self-advocates and advocates. Of the amounts provided in this subsection:

(a) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the developmental disabilities council to enter into a contract with a nonprofit organization led by individuals who are Black, indigenous, or people of color to facilitate the development and implementation of recommendations on ways to reduce barriers to services and improve access to services for individuals with intellectual and developmental disabilities who are from immigrant communities, communities of color, and other underserved communities. The contract must require the nonprofit organization to prepare a racial equity plan for ongoing policy development within the intellectual and developmental disabilities service delivery system for submittal to the developmental disabilities council. The developmental disabilities council must submit the plan to the governor and appropriate legislative committees no later than June 30, 2023.

(b) \$131,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for one full-time equivalent policy analyst to manage the developmental disabilities council's overall policy development and diversity, equity, and inclusion efforts. The policy analyst shall serve as a liaison between self-advocates, advocates, community members, and the nonprofit organization under contract in (a) of this subsection.

(145) \$584,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a dispute resolution center located in the city of Seattle and serving King county to develop a basic mediation training curriculum for organizations that serve communities in south King county, with a focus on organizations serving and operated by members of historically disadvantaged communities. The grant recipient may use the funding for activities including, but not limited to, conducting a needs assessment, developing and designing the curriculum, engaging subject matter experts, and conducting training sessions.

(146) \$45,000,000 of the coronavirus state fiscal recovery

fund—federal appropriation is provided solely for the eviction prevention rental assistance program created in RCW 43.185C.185.

(147) \$4,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant program to community-based organizations that provide services for survivors of domestic violence. Grant recipients may use funding for domestic violence survivor advocates to provide case management, safety planning, and other services for survivors, and as flexible funding to meet the immediate needs of survivors of domestic violence.

(148) \$15,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely to expand the small business resiliency network program. Program expansion activities may include:

(a) Providing funding for new or existing network partners to provide wraparound services and support to assist small business owners, including support in accessing financing; and

(b) Establishing a credit repair pilot program by contracting with community foundations and nonprofit credit unions with existing character-based lending programs to provide credit counseling and other services to build or improve credit for small businesses and entrepreneurs who are unable to access conventional lending.

(149) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$290,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization that operates a resource center in the city of Ferndale to expand social services programs. Eligible social services programs include, but are not limited to, basic needs supports for low-income and vulnerable families; emergency preparedness programs that connect community volunteers to opportunities to assist community members during emergencies; and conducting antiracist events and learning opportunities in order to build community.

(150) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of firearm safety and violence prevention for programs relating to firearm removals in domestic violence cases. Programs may include:

(a) Grants for local law enforcement agencies to coordinate the removal of firearms pursuant to RCW 9.41.800 and 9.41.801 in civil and criminal domestic violence cases at a regional level; and

(b) Activities to increase statewide adherence to RCW 9.41.800 and 9.41.801, including, but not limited to, technical assistance, training, and collecting data from local law enforcement agencies relating to firearm removals in cases where a court orders the surrender of weapons.

(151) \$55,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to administer stipends to eligible homeless service provider employees for their immediate economic needs and to conduct a homeless service provider workforce study.

(a) Of the amount provided in this subsection:

(i) \$27,250,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a stipend payment of up to \$2,000 for eligible homeless service provider employees with an income at or below 80 percent of the area median income. An individual who works for two or more eligible entities in an eligible position may only receive one stipend under this subsection.

(ii) \$27,250,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a second stipend payment of up to \$2,000 for individuals who received an initial stipend payment under (i) of this subsection (151)(a) and who are still employed at the same eligible entity six months after receipt of the first stipend payment. An individual who works for two or

more eligible entities in an eligible position may only receive one stipend under this subsection.

(iii)(A) \$500,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to contract with a third-party entity to conduct a study on the workforce needs of nonprofit organizations employing eligible homeless service provider employees, with the goal of developing state-level strategies for improving workforce retention among organizations providing homeless services.

(B) The study must examine topics including, but not limited to, pay and benefits; training and supervision; caseloads; safety and morale; and other factors impacting hiring and retention.

(C) The study must examine the potential impact on workforce retention of inflationary increases for administrative allowances and other automatic escalators on state-funded homelessness service contracts, including contracts administered by the office of homeless youth.

(D) The study must include a pay equity and comparable worth analysis that compares eligible homeless service provider positions with jobs with similar complexity, difficulty, and educational and skill requirements in the public and private sectors that were deemed essential during the COVID-19 pandemic.

(E) In conducting the study, the third-party entity must consult with eligible homeless service provider employees; employees of eligible entities with lived experience of homelessness; and organizations led by or serving BIPOC populations.

(F) The department must report the results of the study, including any policy recommendations, to the appropriate committees of the legislature by September 30, 2023.

(b) The department must contract with an entity located in Washington state to administer the stipend payments in (a)(i) and (ii) of this subsection. The entity must demonstrate an ability to efficiently administer stipend payments statewide by showing successful administration of similar programs; an ability to adhere to federal tax requirements, including sending stipend recipients 1099 or other required tax forms; and an ability to track and report on demographic data of stipend recipients and fulfill other reporting requirements as determined by the department. The entity must conduct marketing and outreach for the program by September 1, 2022, and begin administering stipend payments under (a)(i) of this subsection by October 1, 2022. The administrator must pay the stipends on a first-come, first-served basis and there is no individual entitlement to receive a stipend.

(c) The department is authorized to shift funding among the purposes in (a)(i) and (ii) of this subsection based on the level of demonstrated need.

(d) The department may retain up to five percent of the funding allocated under (a) of this subsection for administrative costs.

(e) The administering entity selected under (b) of this subsection may use up to 15 percent of the funding allocated under (a)(i) and (ii) of this subsection for administrative costs and up to five percent of the funding allocated under (a)(i) and (ii) of this subsection for outreach and marketing costs.

(f) For the purposes of this subsection:

(i) "Eligible homeless service provider employee" means an individual currently employed on a full-time or part-time basis at an eligible entity that works directly on-site with persons experiencing homelessness or residents of transitional or permanent supportive housing. This includes, but is not limited to, emergency shelter and transitional housing staff; street outreach workers; caseworkers; peer advisors; reception and administrative support staff; maintenance and custodial staff; and individuals providing direct services for homeless youth and young adults. This does not include executive and senior administrative employees of an eligible entity. Nothing in this

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subsection creates an employment relationship, or any membership or qualification in any state or other publicly supported retirement system, due to the payment of a stipend.

(ii) "Eligible entity" means an organization with whom state agencies or local governments grant or subcontract to provide homeless services under their homeless housing program as defined in RCW 43.185C.010.

(iii) "Immediate economic needs" means costs including, but not limited to, rent or mortgage payments; utilities and other household bills; medical expenses; student loan payments; transportation-related costs; child care-related costs; behavioral health-related costs; and other basic necessities.

(152)(a) \$100,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to administer a business assistance program for qualifying hospitality industry businesses that have been negatively impacted by the COVID-19 public health emergency or its negative economic impacts. The department must administer the program under appropriate agreements. For the purposes of this subsection, "qualifying hospitality industry businesses" means restaurants, hotels, motels, and other businesses in the hospitality industry as determined by the department.

(b) Of the amount provided in this subsection, \$15,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for grants to reimburse lodging establishments that have experienced losses during the state's eviction moratorium pursuant to the governor's proclamations. The department must work with impacted lodging establishments to develop criteria for the administration of this grant program. The department will verify actual eligible losses to be reimbursed. Actual eligible losses include room charges not paid by persons who stayed during the moratorium, any legal expenses incurred by lodging establishments as a result of the moratorium, and any repair expenses directly attributed to damages to rooms. For the purposes of this subsection (152)(b), "lodging establishment" means a hotel, motel, or similar establishment taxable by the state under chapter 82.08 RCW that has 40 or more lodging units.

(153) \$3,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for housing assistance for victims of human trafficking. The department must allocate funding through contracts with service providers that have current contracts with the office of crime victims advocacy to provide services for victims of human trafficking. A provider must use at least 80 percent of contracted funds for rental payments to landlords and the remainder for other program operation costs, including services addressing barriers to acquiring housing that are common for victims of human trafficking.

(154) \$25,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization operating a low-barrier emergency shelter located in the town of Wapato serving Native and non-Native chronically homeless individuals. Grant funds must be used to provide daytime services such as meals and hygiene services; case management; outreach; and other homeless services.

(155) \$75,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a nonprofit organization in Kitsap county to provide services for families experiencing domestic violence. Amounts provided in this subsection must be used to expand supports for survivors and their children fleeing immediately dangerous situations, including emergency shelter, case management, housing advocacy, child care, mental health services, and resources and referrals. The nonprofit organization must be located in Kitsap

county and must operate a state-certified domestic violence shelter.

(156) \$3,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to the city of Kent for operational improvements and other actions to improve safety and reduce train noise, with the goal of increasing quality of life and facilitating transit-oriented living in downtown Kent.

(157)(a) \$750,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to establish a lifeline support system pilot project to assist individuals who have experienced or are at risk of entering into public systems of care. Public systems of care include office of homeless youth prevention and protection shelter and housing programs, the juvenile justice system, dependency under chapter 13.34 RCW, and inpatient behavioral health treatment.

(b)(i) The lifeline must function as a no-wrong-door access point for support and connections to services for qualifying individuals who require assistance to overcome a life challenge that could escalate into a crisis, or who are in need of general mentorship and counsel. The lifeline support system must facilitate and promote partnerships across state agencies, federally recognized tribes, counties, and community-based providers to coordinate trauma-informed and culturally responsive services for youth and young adults and their supports. The department is authorized to implement lifeline services through contracts with community partners and nonprofit organizations.

(ii) The department must establish a lifeline fund. Moneys in the fund can be used to assist community partners and nonprofit organizations to implement lifeline services when they cannot identify an existing resource to resolve a beneficiary need. The department must establish an application process and criteria for the fund.

(c) The department and a nonprofit organization, selected by the office of homeless youth, shall coconvene a work group that will design a lifeline support services system and framework for statewide implementation. This group shall have an inaugural meeting no later than August 31, 2022, and have a design ready no later than October 31, 2022. By December 31, 2022, the department, with assistance from the work group, must provide a report to the appropriate committees of the legislature on approaches to continue this pilot project in the 2023-2025 fiscal biennium.

(d) By June 30, 2023, the department, with assistance from the nonprofit organization that coconvened the work group, shall provide a report to the legislature describing the success and shortcomings of the lifeline support system, as well as other data such as request-for-service conclusions and the demographics of beneficiaries. The report must include a recommendation for how the state can permanently establish the lifeline.

(158) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization that provides services to survivors of domestic violence in north and east King county. Grant funding may be used for services including, but not limited to, staffing support for emergency and advocacy services and costs to expand emergency and transitional housing services for survivors of domestic violence with the greatest safety risks and highest barriers to acquiring safe housing.

(159) \$850,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization for costs to operate a low-barrier homeless shelter and provide housing intervention and placement services. The grant recipient must be a nonprofit organization that provides permanent supportive housing services, provides homeless

services for youth and young adults, and operates a low-barrier homeless shelter for women over the age of 18 in the city of Spokane.

(160) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a contract with a nonprofit to provide technical assistance to manufactured home community resident organizations who wish to convert the park in which they reside to resident ownership, pursuant to RCW 59.22.039. Technical assistance includes, but is not limited to, assistance with prepurchase efforts and resident outreach and engagement activities prior to filing an intent to purchase.

(161) \$900,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with one or more community-based organizations to administer a homeownership assistance program for low-income households who have been displaced from their manufactured/mobile homes due to the closure or conversion of a mobile home park or manufactured housing community in south King county. The program may offer services including credit counseling; financial education courses; assistance in locating, understanding, and preparing necessary financial and legal documentation for homeownership; outreach and engagement services, including in-language services; and other technical support to prepare households for homeownership.

(162) \$185,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization to provide advocacy, translation, emergency housing, and other services for victims of domestic violence, with a focus on serving members of the Latino and indigenous communities. The grant recipient must be a community-based nonprofit organization located in the city of Tacoma that provides educational programs, crisis intervention, family outreach services, arts and culture programming, and advocacy with a focus on serving Latino and indigenous communities.

(163) \$1,400,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with the municipal research and services center, in coordination with the Washington procurement technical assistance center, to provide training and technical assistance to local governments and contractors on public works contracting. Training topics may include utilization of supplemental bidding criteria, utilization of alternate public works, contracting, cost estimating, obtaining performance and payment bonds, and increasing participation of women-owned and minority-owned businesses.

(164) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization in the city of Tacoma that provides on-water marine science and maritime programs, as well as mentoring and community service opportunities, for youth and young adults. Grant funding must be used to expand program participation of youth and young adults from underserved and underrepresented communities.

(165) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to the city of Poulsbo to expand the service capacity of the fire cares behavioral health mobile outreach program.

(166) \$600,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for concept development, design, and planning of state-operated or contracted residential housing facilities and services at the Pacific hospital preservation and development authority quarters buildings three through ten in Seattle. The residential housing facilities may be used for recovery residences, group care, transitional housing, supportive housing, or family-centered substance use disorder recovery housing. Of the amounts provided in this subsection:

(a) \$375,000 of the general fund—state appropriation for fiscal

year 2023 is for lease payments for the Pacific hospital preservation and development authority quarters buildings three through ten.

(b) \$75,000 of the general fund—state appropriation for fiscal year 2023 is for the department to convene a work group to develop a programming plan for utilization of the repurposed quarters buildings three through ten, subject to the following requirements:

(i) The department must contract with a nonprofit organization to facilitate the work group. The nonprofit organization must be located in the city of Seattle with experience working with systems of care, including foster care, juvenile justice, and behavioral health, and have statewide experience as an advocate, provider, and convener of programming needs for youth and young adults.

(ii) The work group must include members representing the department of children, youth, and families; the health care authority; social service providers led by and serving people of color; social service providers whose leadership represent and who serve LGBTQ youth and young adults; and persons with lived experience.

(iii) By December 31, 2022, the department must submit a report to the appropriate committees of the legislature with recommendations on housing and program models, service arrays, and estimates of operation costs.

(167) \$34,500,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a small business innovation and competitiveness fund program to spur small business recovery, startup, and growth, with a focus on initiatives that will serve BIPOC entrepreneurs and small businesses located in underserved, low-income, and rural areas.

(a) The department must competitively award grants to nonprofit organizations that work with or provide assistance to small businesses.

(b) Grant funding may be used for activities such as:

(i) Small business incubator programs;

(ii) Small business accelerator programs;

(iii) Local procurement initiatives;

(iv) Small business competitiveness programs focused on hiring and retention;

(v) Improvements and repairs to physical workplaces, including in response to public health guidelines or acts of vandalism; and

(vi) Other initiatives as determined by the department.

(c) The department may require applicants to provide a description of how proposed initiatives will benefit small businesses and entrepreneurs that are not members of the recipient organization, if applicable.

(d) The department may encourage, but may not require, a local one-to-one match of state funding awarded under the program.

(e) The department may establish regional targets or other benchmarks to ensure equitable geographic distribution of funding. If regional targets or benchmarks are adopted, the department must assess and report to the legislature on the program's performance by June 1, 2023.

(f) In developing the program, the department must consult with economic development professionals and small business support organizations. The department may consult with other interested parties at its discretion.

(168) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract for technical assistance services for small businesses owned or operated by members of historically disadvantaged populations located in western Washington, with a focus on Black-owned small businesses. The contract recipient must be a business in the arts, entertainment, and media services sector based in the city of

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Federal Way and with experience working with BIPOC communities. Technical assistance includes but is not limited to services such as: Business and intellectual property development; franchise development and expansion; digital and social media marketing and brand development; community outreach; opportunities to meet potential strategic partners or corporate sponsors; executive workshops; networking events; small business coaching; and start-up assistance.

(169) \$97,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to examine actual and potential school director compensation, including salaries, per diem rates, expense reimbursements, and health care benefits for the purpose of determining what changes in statute or practice, if any, would be necessary to align provisions governing school director compensation with those governing the compensation of other elected officials with comparable duties and responsibilities.

(a) The examination required by this subsection, at a minimum, must address:

(i) The duties and responsibilities of school directors and to what extent those duties, and the factors relevant to their completion, may have changed in the previous 10 years;

(ii) Demographic data about school district boards of directors and the communities they represent for the purpose of understanding the diversity of school district boards of directors and whether that diversity reflects the communities they serve;

(iii) The significant variances in school district budgets, student enrollments, tax bases, and revenues;

(iv) Options for periodically updating school director compensation, including the frequency and timing of potential compensation reviews, potential entities that may be qualified to conduct the reviews, and considerations related to inflationary indices or other measures that reflect cost-of-living changes; and

(v) Options for funding the actual and potential costs of school director compensation, including salaries, per diem amounts, expense reimbursements, and health care benefits.

(b) In completing the examination required by this subsection, the department shall consult with interested parties, including the office of the superintendent of public instruction, the Washington state school directors' association, the Washington association of school administrators, and educational service districts.

(c) The department shall, in accordance with RCW 43.01.036, report its findings and recommendations to the governor, the superintendent of public instruction, and the committees of the legislature with jurisdiction over fiscal matters and K-12 education by January 6, 2023.

(170) \$175,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to the south King fire and rescue district located in south King county to implement a workforce development initiative, with the goals of increasing recruitment and retention of employees from south King county communities and increasing the diversity of the district's workforce.

(171) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract for a diversity, equity, and inclusion initiative focused on youth sports and other activities, with an emphasis on basketball. The contract recipient must be a nongovernmental entity that serves as a resource for professional, amateur, collegiate, and youth sports organizations and venues in the greater Seattle region. Contract funding may be used to provide engagement and support for Washington state youth basketball organizations, with a focus on organizations in the Puget Sound region, and to provide assistance for activities including sport academies, youth leagues and sport camps, promotion of community basketball events,

scholarships, and an equity in sports summit.

(172) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$850,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization located in the city of Seattle that provides legal assistance and representation to survivors of sexual and gender-based violence to expand their current services, including but not limited to legal assistance and representation; technical assistance for advocates, providers, and attorneys; community education and trainings; and other legal support services. In providing services, the grant recipient must protect the privacy, safety, and civil rights of survivors and utilize trauma-informed practices and equity principles.

(173) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a contract for a small business assistance program serving the city of Silverdale and central Kitsap county. The contract recipient must be a nongovernmental organization located in the city of Silverdale whose primary focus is the economic development of the city of Silverdale and central Kitsap county. The contract funding must be used to provide financial assistance in the form of grants or loans and other entrepreneurship opportunities for small businesses that have experienced a loss of business income or activity or have been otherwise economically disadvantaged during the COVID-19 pandemic. The contract recipient must conduct targeted outreach and education to ensure small businesses owned by members of historically marginalized communities are aware of business assistance opportunities available through the program.

(174) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization for activities that will improve access to child care in southwest Washington, including but not limited to activities to begin using a shared services model for regional child care providers, and to convene a short-term work group on expanding child care access and affordability in the region. The grant recipient must be a nonprofit organization located in the city of Vancouver that is the lead organization in a collaborative partnership to expand child care capacity in southwest Washington.

(175) \$135,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit organization to provide sexual assault prevention programming to middle and high schools in the Tacoma school district. The grant recipient must be a nonprofit organization serving the city of Tacoma that provides education, intervention, and social advocacy programs for victims of sexual assault, domestic violence, human trafficking, and other forms of abuse.

(176) \$80,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a grant to a nonprofit organization for information technology needs, including, but not limited to, hardware, software, and other subscriptions, so that the recipient may continue and expand services to address poverty. The grant recipient must be a nonprofit organization that works with public, private, and nonprofit partners to address poverty in Snohomish county, with a focus on serving families with young children.

(177) \$5,410,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1099 (comprehensive planning). Amounts provided in this subsection include funding sufficient for local governments that are subject to the requirements of that bill to implement the bill. If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(178) \$27,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the landlord mitigation program created in RCW 43.31.605(1). Of the amount provided in this subsection, \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is for program claims made pursuant to Substitute House Bill No. 1593 (landlord mitigation/victims).

(179) \$1,161,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1571 (indigenous persons/services). Of the amount provided in this subsection, \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants awarded under Substitute House Bill No. 1571. If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(180) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute House Bill No. 1629 (aerial imaging technology). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(181) \$486,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1717 (tribal participation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(182) \$953,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1723 (telecommunications access). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(183) \$155,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1724 (supportive housing resources). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(184)(a) \$7,790,000 of the apple health and homes account—state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1866 (supportive housing). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(b) Of the amount provided in this subsection, \$6,500,000 of the apple health and homes account—state appropriation is provided solely for permanent supportive housing services including operations, maintenance, and service costs of permanent supportive housing units; project-based vouchers; rental subsidies; and provider grants. These funds shall not be used for costs that are eligible for coverage through the foundational community supports program established pursuant to the health care authority's federal medicaid transformation project waiver.

(185) \$4,434,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1905 (homelessness/youth discharge). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse. Of the amount provided in this subsection:

(a) \$1,600,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for flexible funding administered by the office of homeless youth to support persons under the age of 25 exiting publicly funded systems of care that need discrete support or funding to secure safe housing;

(b) \$625,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to counties to administer housing stability for youth in crisis programs; and

(c) \$2,018,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for system of care grants. Of

this amount, \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to assist young adults discharging from inpatient behavioral health treatment facilities to obtain housing.

(186)(a) \$20,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a small business disaster recovery financial assistance program to provide resources to small businesses that have sustained physical damage or economic loss due to a natural or other comparable disaster.

(b) The department may provide financial assistance in the form of grants to eligible businesses. Grant funds may be used for payroll, utilities and rent, marketing and advertising, building improvements or repairs, replacing damaged inventory and equipment, and other operations and business expenses.

(c) A business is eligible to apply for financial assistance through the program if they provide documentation to the department of:

(i) Annual gross receipts of \$5,000,000 or less; and

(ii) A reduction in business income or activity as a result of a natural disaster such as a flood, earthquake, or wildfire, or a comparable disaster such as major utility disruptions resulting in property damage or prolonged outages.

(d) A department must provide assistance to an eligible business within three months of receiving an application.

(e) The department must coordinate with local economic development entities in conducting outreach to small businesses in order to increase awareness and understanding of the program.

(f) Of the amounts provided in this subsection, \$10,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for financial assistance for eligible businesses located in northwest Washington.

(187) \$214,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1015 (equitable access to credit). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(188)(a) \$950,000 of the apple health and homes account—state appropriation is provided solely for a grant to a nonprofit organization for an initiative to advance supportive housing projects, including those funded through the apple health and homes program created in Engrossed Substitute House Bill No. 1866 (supportive housing). The department is directed to extend the contract of the grantee of the 2021 request for qualifications and quotations advancing affordable housing and education centers due to the recipient's national experience with programs to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness, and who are, thereby, inherently impacted by COVID-19.

(b) The grant recipient must use the funding to:

(i) Partner with state, regional, and local public entities, nonprofit housing developers, and service providers to develop a broad range of housing types for supportive housing;

(ii) Provide technical assistance on the constructive alignment of yet-to-be-secured state or local capital funds, and other services, for the construction, acquisition, refurbishment, redevelopment, master leasing of properties for noncongregate housing, or conversion of units from nonresidential to residential, of dwelling units for supportive housing;

(iii) Analyze the suitability of properties and sites, including existing buildings for supportive housing, through completing due diligence, conceptual design, and financial analysis activities, applying and implementing an equity lens in site selection, program planning, development, and operations;

(iv) Advise and collaborate with the office of health and homes to prepare projects for capital funding;

(v) Advise on supportive housing best practices;

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(vi) Advise on service delivery for vulnerable populations;
 (vii) Advise on local community engagement, especially with populations with lived experience of homelessness; and
 (viii) Subcontract for specialized predevelopment services as needed.

(189) \$7,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to administer grants to eligible cities for actions relating to adopting ordinances that would authorize middle housing types on at least 30 percent of lots currently zoned as single family residential.

(a) For the purposes of this subsection, a city is eligible to receive a grant if:

(i) The city is required to plan under RCW 36.70A.040; and
 (ii) The city is required to take action on or before June 30, 2024, to review and, if needed, revise its comprehensive plan and development regulations pursuant to RCW 36.70A.130(5)(a).

(b) Grant recipients must use grant funding for costs to conduct at least three of the following activities:

(i) Analyzing comprehensive plan policies and municipal code to determine the extent of amendments required to meet the goal of authorizing middle housing types on at least 30 percent of lots currently zoned as single family residential;

(ii) Preparing informational material for the public;

(iii) Conducting outreach, including with the assistance of community-based organizations, to inform and solicit feedback from a representative group of renters and owner-occupied households in residential neighborhoods, and from for-profit and nonprofit residential developers;

(iv) Drafting proposed amendments to zoning ordinances for consideration by the city planning commission and city council;

(v) Holding city planning commission public hearings;

(vi) Publicizing and presenting the city planning commission's recommendations to the city council; and

(vii) Holding city council public hearings on the planning commission's recommendations.

(c) Before updating their zoning ordinances, a city must use a racial equity analysis and establish antidisplacement policies as required under RCW 36.70A.070(2)(e) through (h) to ensure there will be no net displacement of very low, low, or moderate-income households, as defined in RCW 43.63A.510, or individuals from racial, ethnic, and religious communities which have been subject to discriminatory housing policies in the past.

(d) The department shall prioritize applicants who:

(i) Aim to authorize middle housing types in the greatest proportion of zones; and

(ii) Subcontract with multiple community-based organizations that represent different vulnerable populations in overburdened communities, as defined in RCW 70A.02.010, that have traditionally been disparately impacted by planning and zoning policies and practices, to engage in eligible activities as described in (b) of this subsection.

(e) For the purposes of this subsection, "middle housing types" include duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, courtyard apartments, cottage housing, and stacked flats.

(190)(a) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to administer an energy efficient housing pilot program with the goal of reducing energy consumption and related expenses for low-income agricultural workers in the Yakima valley. Funding must be distributed in the form of grants to community-based organizations, with priority given to organizations with a proven track record of assisting agricultural workers.

(b) Grant recipients may use the funds awarded under (a) of this subsection to conduct the following activities for eligible

housing:

(i) Install photovoltaic solar panel systems, solar water heating systems, and battery backups;

(ii) Replace energy inefficient appliances with energy star certified appliances;

(iii) Replace existing lighting with light emitting diode lighting; and

(iv) Conduct weatherization of homes and other residences.

(c) Eligible housing includes:

(i) Homes owned and occupied by agricultural workers; and

(ii) Homes, apartments, and other residential facilities providing rental housing to agricultural workers, provided that the owners of the facilities pass the savings in energy costs to agricultural worker tenants and commit to the use of the facilities as agricultural worker housing for 15 years as a condition of accepting assistance as described in (b) of this subsection.

(d) For the purposes of this subsection, "agricultural workers" means workers on farms and workers performing packing or processing work of agricultural products. "Agricultural workers" does not mean the owners of agricultural enterprises.

(191)(a) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a contract with a community-based nonprofit organization located in the Yakima valley to develop a community consortium for the purpose of developing and implementing strategies for the prevention of gang violence in Yakima county.

(b) The consortium must include representation from community-based organizations, gang-involved youth, law enforcement agencies, and state agencies involved in juvenile justice.

(c) The consortium must develop after-school activities such as counseling, tutoring, and computer literacy for gang-involved youth, in conjunction with local school districts.

(d) The consortium must, in conjunction with a public radio station, conduct a Spanish-language public radio media outreach campaign with the aim of linking gang-involved youth with employment, educational, and training opportunities. In conducting the outreach campaign, the consortium may work with schools, grassroots organizations, faith-based groups, law enforcement, families, and juvenile justice agencies.

(e) In developing its outreach and intervention activities, the consortium may facilitate workshops and conferences, either in person or virtual, with educators, parents, and youth.

(f) By June 30, 2023, the department must provide a report to the appropriate committees of the legislature. The report must include:

(i) A description of the gang violence prevention programs conducted by the consortium and how they were implemented;

(ii) A description of any virtual community events, workshops, and conferences held; and

(iii) The number of individuals who participated in or received services through the programs conducted by the consortium, including any relevant demographic data for those individuals.

(192)(a) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to administer grants to strengthen family resource center services and increase capacity statewide. Grant funding may be used: For an organization to provide new services in order to meet the statutory requirements of a family resource center, as defined in RCW 43.216.010; to increase capacity or enhance service provision at current family resource centers, including but not limited to direct staffing and administrative costs; and to conduct data collection, evaluation, and continuous quality improvement activities. The department may award an amount from \$30,000 up to \$200,000 per grant recipient.

(b) Eligible applicants for a grant under (a) of this subsection include current family resource centers, as defined in RCW 43.330.010, or organizations in the process of becoming qualified as family resource centers. Applicants must affirm their ability and willingness to serve all families requesting services in order to receive a grant. Applicants must currently be or agree to become a member of a statewide family resource center network during the grant award period in order to receive a grant.

(c) The department must co-convene an advisory group with the department of children, youth, and families that includes representatives from family resource centers; parents, caregivers, and individuals who have used family resource center services; and other stakeholders as determined by the department. The department must develop application guidelines and award funding to eligible applicants in consultation with the department of children, youth, and families and the advisory group. Advisory group members representing family resource centers or other organizations that apply for grant funding may not participate in the process of determining grant award recipients.

(d) In distributing grant funding, the department must, to the extent it is practicable, award 75 percent of funding to organizations located west of the crest of the Cascade mountains, and 25 percent of funding to organizations located east of the crest of the Cascade mountains.

(e) By July 1, 2023, grant recipients must submit a report to the department on the use of grant funding, including but not limited to progress in attaining status as a family resource center, if applicable; the number and type of services offered to families; demographic and income data for families served; and family postservice outcomes. By September 1, 2023, the department must submit a report to the legislature on topics including but not limited to the grant application process; needs identified by family resource centers; and use of funds by grant recipients.

(193)(a) \$2,800,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of firearm safety and violence prevention for a healthy youth and violence prevention initiative with the goal of preventing violence, decreasing engagement with the juvenile justice system, and encouraging health and well-being for youth and young adults ages 12 to 24. As part of the initiative, the office must partner with community-based organizations to serve as regional coordinators who will:

(i) Connect youth and young adults ages 12 to 24 who are most vulnerable to violence with programs that provide services including, but not limited to, street outreach, youth employment and preapprenticeship programs, case management, behavioral health services, and other services as appropriate; and

(ii) Assist local governments, service providers, and nonprofit organizations in accessing and leveraging federal, state, and local funding for violence prevention and related services.

(b) In developing the healthy youth and violence prevention initiative, the office must consult with interested parties including members of the legislature, community members with expertise in public health strategies to address youth violence, and people impacted by youth and young adult violence.

(c) Of the amount provided in this subsection:

(i) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant for a demonstration program serving south King county. The grant recipient must be a nonprofit health system currently administering a violence prevention initiative in King and Pierce counties. The grant recipient may subgrant or subcontract funds to programs providing services as described in (a)(i) of this subsection.

(ii) \$600,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for planning grants for future programs serving Pierce county, Yakima county, and the city of

Vancouver. Grant recipients must be community-based nonprofit organizations.

(iii) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to develop a database and reporting system for regional coordinators to report program outcomes for service providers receiving grants or subgrants through the initiative. The database must be accessible to and utilized by all organizations serving as regional coordinators. In developing the database fields, the office must, to the extent it is feasible, use categories identified as part of the developmental assets framework developed by the Search Institute.

(194)(a) \$25,000 of the general fund—state appropriation for fiscal year 2022 and \$225,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to conduct an evaluation of the costs for cities and counties to review and revise their comprehensive plans to ensure compliance with chapter 36.70A RCW. The evaluation must include, at a minimum, the costs for each general jurisdiction size and type, and the costs to complete various types of planning requirements, including:

(i) Meeting the requirements of a new goal in RCW 36.70A.020;

(ii) Meeting the requirements of a new comprehensive plan element in RCW 36.70A.070;

(iii) Updating a critical areas ordinance;

(iv) Updating a shoreline master program ordinance;

(v) Making a minor update of a comprehensive plan element;

(vi) Making a complex update of a comprehensive plan element;

(vii) Updating a development regulation; and

(viii) Implementing a new development regulation.

(b) The department must consult with the Washington state association of counties and the association of Washington cities in conducting the evaluation.

(c) The department must submit a report of the results of the evaluation to the legislature by December 1, 2022.

(195) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide support to a public-private partnership that leverages private sector leadership and is composed of multiple interests, including public and private project developers, manufacturers and end users, research institutions, academia, government, and communities around the state, to develop and submit a competitive application for the federal department of energy regional clean hydrogen hubs grant. The application must focus on the sectors of the economy that are hardest to decarbonize, including industry, heavy transportation, maritime, and aviation.

(196) \$3,335,000 of the general fund—state appropriation for fiscal year 2022 and \$2,223,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to counties to stabilize newly arriving refugees from the 2022 Ukraine-Russia conflict.

(197) \$50,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for digital equity and broadband access programs. Programs funded under this subsection may include programs to fulfill the recommendations of the Washington digital equity forum; programs to conduct activities identified by the statewide broadband office when developing the digital equity plan required as part of the state digital equity capacity grant program created in P.L. 117-58; and programs to increase broadband access for low-income and rural communities, including through low-orbit satellite broadband networks.

(198)(a) \$25,000,000 of the electric vehicle incentive account—state appropriation is provided solely for the

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department to implement programs and incentives that promote the purchase of or conversion to alternative fuel vehicles. The department must work with the interagency electric vehicle coordinating council created in Engrossed Substitute Senate Bill No. 5974 (transportation resources) to develop and implement alternative fuel vehicle programs and incentives.

(b) In developing and implementing programs and incentives under this subsection, the department must prioritize programs and incentives that:

(i) Will serve individuals living in an overburdened community, as defined in RCW 70A.02.010;

(ii) Will serve individuals who are in greatest need of this assistance in order to reduce the carbon emissions and other environmental impacts of their current mode of transportation in the overburdened community in which they live; and

(iii) Will serve low-income communities, communities with the greatest health disparities, and communities of color that are most likely to receive the greatest health benefits from the programs through a reduction in greenhouse gas emissions and other pollutants that will result in improved groundwater and stormwater quality, improved air quality, and reductions in noise pollution.

(199) \$100,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for grants for public and private water, sewer, garbage, electric, and natural gas utilities to address low-income customer arrearages compounded by the COVID-19 pandemic and the related economic downturn that were accrued between March 1, 2020, and December 31, 2021.

(a) By May 27, 2022, each utility that wishes to participate, must opt-in to the grant program by providing the department the following information:

(i) Current arrearage balances for residential customers as of March 31, 2022; and

(ii) Available information on arrearage balances of low-income customers, including customers who received assistance from the low-income home energy assistance program, low-income water assistance program, or ratepayer-funded assistance programs between April 1, 2020, and March 31, 2022, as of March 31, 2022. If a utility does not have access to information regarding customer participation in these programs, the department must distribute funding to the community action program serving the same service area as the utility instead of the utility.

(b) In determining the amount of funding each utility may receive, the department must consider:

(i) Each participating utility's proportion of the aggregate amount of arrearages among all participating utilities;

(ii) Utility service areas that are situated in locations experiencing disproportionate environmental health disparities;

(iii) American community survey poverty data; and

(iv) Whether the utility has leveraged other fund sources to reduce customer arrearages.

(c) The department may retain up to one percent of the funding provided in this subsection to administer the program.

(d) Each utility shall disburse funds directly to customer accounts by December 31, 2022. Funding shall only be distributed to customers that have participated in the low-income home energy assistance program, low-income water assistance program, or ratepayer-funded assistance programs.

(e) Utilities may, but are not required to, work with other utilities or use community action agencies to administer these funds following the eligibility criteria for the low-income home energy assistance program and the low-income household water assistance program.

(f) By March 1, 2023, each utility who opted into the grant

program must report to the department, utilities and transportation commission, and state auditor on how the funds were utilized and how many customers were supported.

(g) Utilities may account for and recover in rates administrative costs associated with the disbursement of funds provided in this subsection.

(200) \$4,092,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Senate Bill No. 5566 (independent youth housing). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(201) \$7,300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to increase funding for the community services block grant program. Distribution of these funds to community action agencies shall prioritize racial equity and undoing inequity from historic underinvestment in Black, indigenous, and people of color and rural communities.

(202) \$1,124,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to expand health care access points with increased services from the Tubman center for health and freedom to address disparate health outcomes of Black Washingtonians.

(203) \$3,335,000 of the general fund—state appropriation for fiscal year 2022 and \$2,223,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to Snohomish county to stabilize newly arriving refugees from the 2021 Afghanistan conflict.

(204) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a peer-led community and hospitality space located in south King county to expand services for women engaging in the sex trade.

(205) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization to develop a K-12 school building ventilation technical assistance, outreach, and education program. The grant recipient must be located in a city with a population of more than 700,000 and must have experience administering a statewide technical assistance, outreach, and education program for building operators.

(206) \$500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to a Tacoma-based nonprofit dental clinic with a location in unincorporated Pierce county to continue to provide dental services to low-income youth.

(207) \$120,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit resource center in King county that provides sexual assault advocacy services, therapy services, and prevention and outreach to begin a three-year, multigrade sexual violence prevention program in the Renton school district.

(208) \$350,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a Tacoma-based nonprofit multicultural center to support the operations of food bank networks and to be reimbursed for equipment purchased for preventative maintenance on food bank network buildings.

(209) \$500,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to a Kent-based, community-based nonprofit organization that serves culturally and linguistically diverse families of persons with developmental and intellectual disabilities for predevelopment funds to

accelerate the production of new affordable housing and a multicultural community center.

(210) \$400,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a Tacoma-based business center that supports women and minority-owned businesses to expand outreach in underserved communities, providing targeted assistance where needed. Funding may also be used to collaborate the department, the Washington economic development association, and others to develop a more effective and efficient service delivery system for Washington's women and minority-owned small businesses.

(211) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a business center that provides confidential, no-cost, one-on-one, client-centered assistance to small businesses to expand outreach in underserved communities, especially Black, indigenous, and people of color-owned businesses, providing targeted assistance where needed. Funding may also be used to collaborate the department, the Washington economic development association, and others to develop a more effective and efficient service delivery system for Washington's women and minority-owned small businesses.

(212) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of homeless youth prevention and protection programs to colead a prevention work group with the department of children, youth, and families. The work group must focus on preventing youth and young adult homelessness and other related negative outcomes. The work group shall consist of members representing the department of social and health services, the employment security department, the health care authority, the office of the superintendent of public instruction, the Washington student achievement council, the interagency work group on homelessness, community-based organizations, and young people and families with lived experience of housing instability, child welfare involvement, justice system involvement, or inpatient behavioral health involvement.

(a) The work group shall help guide implementation of:

(i) The state's strategic plan on prevention of youth homelessness;

(ii) Chapter 157, Laws of 2018 (SSB 6560);

(iii) Chapter 312, Laws of 2019 (E2SSB 5290);

(iv) Efforts to reform family reconciliation services; and

(v) Other state initiatives addressing the prevention of youth homelessness.

(b) The office of homeless youth prevention and protection programs must use the amounts provided in this subsection to contract with a community-based organization to support the involvement with the work group of young people and families with lived experience of housing instability, child welfare involvement, justice system involvement, or inpatient behavioral health involvement. The community-based organization must serve and be substantially governed by marginalized populations. The amounts provided in this subsection must supplement private funding to support the work group.

(213) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a maritime education nonprofit that will support outreach, recruitment, and maritime educational experiences at the new maritime high school in the highline public school district including developing mentorship and internship programs. Funds may be used to support the school's growth to full enrollment of 400 students, to pursue enrollment that reflects the diversity of the district, to aid recruitment activities that will include partnering with regional middle schools including hands-on learning experiences on vessels, and to support curriculum that gives students STEM skills and pathways to maritime careers, including in the sciences,

vessel operations and design, and marine construction.

(214) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to strengthen capacity of the keep Washington working act work group established in RCW 43.330.510.

(215) \$250,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the transportation demand management program at the canyon park subarea in the city of Bothell.

(216) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to report how the department will collect demographic and geographic information from organizations who receive direct or indirect grants from the department.

(a) The department may contract to complete the report. The department must collaborate with the one Washington enterprise resource planning team to determine what demographic and geographic data elements would be consistent with data elements in the extended financials and procurement phase of one Washington.

(b) The report must also include accurate cost and time estimates needed to collect the demographic and geographic information from department grantees and their subgrantees. The department must consult with the office of equity to ensure that demographic tracking information can be used to help create an accurate definition of "by and for organizations." The department must report to the legislature by June 30, 2023. The report must include, but is not limited to, the following information:

(i) The cost and time required for the department to revise current grant agreements to collect demographic and geographic data;

(ii) The cost and time required for the department to incorporate the collection of demographic and geographic data into future grant agreements;

(iii) The cost and time required for the department to align demographic and geographic data points to the one Washington program to serve as a data collection system and repository of demographic and geographic data on all department grant agreements;

(iv) In addition to the one Washington program, an analysis of other information technology systems that can serve as a unified single data collection system and repository for demographic and geographic data on all department grant agreements. This analysis should compare and contrast the efficiency and effectiveness of each system with the capabilities, cost, and timeliness of using the one Washington program for this purpose; and

(v) Recommendations on grants that should be excluded from the responsibility to collect demographic and geographic data.

(217) \$88,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a Seattle-based nonprofit that teaches math using hands-on learning experiences and collaborates with community partners to create equity-based, culturally relevant math education opportunities.

(218) \$20,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to provide a grant to a public facility district created under chapter 36.100 RCW that can document losses of more than \$200,000,000 in cumulative anticipated tax, event, and marketing revenues in 2020, 2021, and 2022, including lost revenue due to cancellations or a reduction of participants in conventions that would have been hosted in Washington state, less grants or loans from federal and state government programs. Eligible public facilities districts may receive a maximum \$20,000,000 grant. Public facility districts must provide the department with financial records that document the lost revenue to be eligible to receive a grant.

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(219) \$7,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to increase existing grantee contracts providing rental or housing subsidy and services for eligible tenants in housing and homeless programs. The department will work with stakeholders and grantees to increase current contracts and distribute funds to account for increases in housing and services costs across the state.

(220)(a) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to conduct a cost-benefit analysis on the use of agrivoltaic and green roof systems on projected new buildings with a floor area of 10,000 square feet or larger to be developed over the next 20 years in communities of 50,000 or greater. The department shall consult with the department of ecology, private sector representatives, and an organization that has experience conducting cost-benefit analyses on green roofing. The cost-benefit analysis must include:

(i) The impact of widespread green and agrivoltaic roof installation on stormwater runoff and water treatment facilities in communities with a population of greater than 50,000;

(ii) Potential water quality and peak flow benefits of widespread green and agrivoltaic roof installation;

(iii) Public health impacts;

(iv) Air quality impacts;

(v) Reductions in fossil fuel use for buildings with agrivoltaic systems;

(vi) Energy efficiency of buildings with agrivoltaic systems;

(vii) Job creation; and

(viii) Agrivoltaic installation and maintenance costs.

(b) The department shall submit the report to the energy policy and fiscal committees of the legislature by June 30, 2023, that includes, but is not limited to:

(i) The results of the cost-benefit analysis in (a) of this subsection;

(ii) Recommendations on how agrivoltaic and green roofs can be integrated into new and existing building code requirements related to stormwater codes, energy codes, and the transition away from natural gas;

(iii) An examination of existing programs at the city and county level in Washington state;

(iv) A description of the policy components and framework for green and agrivoltaic roof policies and related incentive programs; and

(v) Incentive recommendations for building owners who cover more than 50 percent of the roof surface with a green or agrivoltaic roof.

(221) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a community-based organization in Whatcom county for a program that connects local food producers with retail and wholesale consumers.

(222) \$60,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to Yakima county to contract with a Yakima-based nonprofit organization to complete the planning and development of a community wildfire protection plan.

(223) \$1,091,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5910 (hydrogen). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(224) \$1,637,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5722 (greenhouse gases/buildings). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(225) \$8,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to build a mapping and forecasting tool that provides locations and information on charging and refueling infrastructure as required in chapter 300, Laws of 2021. The department shall collaborate with the interagency electric vehicle coordinating council established in Engrossed Substitute Senate Bill No. 5974 (transportation resources) when developing the tool and must work to meet benchmarks established in Engrossed Substitute Senate Bill No. 5974 (transportation resources).

(226) \$69,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant program for the development of electric vehicle charging infrastructure in rural areas, office buildings, multifamily housing, ports, schools and school districts, and state and local government offices.

(a) Grants in this subsection are provided solely for projects that provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state.

(b) Projects that receive funds under this subsection must be implemented by local governments, federally recognized tribal governments, or by public and private electrical utilities that serve retail customers in the state. Grant funding must be used for level 2 or higher charging infrastructure.

(c) The department must give preference to projects that provide level 3 or higher charging infrastructure.

(d) The department of commerce must coordinate with other electrification programs, including projects the department of transportation is developing, to determine the most effective distribution of the systems. The department must also collaborate with the interagency electric vehicle coordinating council established in Engrossed Substitute Senate Bill No. 5974 (transportation resources) to implement this subsection and must work to meet benchmarks established in Engrossed Substitute Senate Bill No. 5974 (transportation resources).

(227) \$37,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to increase solar deployment and installation of battery storage in community buildings to enhance grid resiliency and provide backup power for critical needs, such as plug load and refrigeration for medication, during outages. Eligible uses of the amounts provided in this subsection include, but are not limited to, planning and predevelopment work with vulnerable, highly impacted, and rural communities. For the purposes of this subsection "community buildings" means K-12 schools, community colleges, community centers, recreation centers, libraries, tribal buildings, government buildings, and other publicly owned infrastructure.

(228) \$20,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant program to provide solar and battery storage community solar projects for public assistance organizations serving low-income communities.

(a) Grants are not to exceed \$20,000 per community solar project and are not to exceed 100 percent of the cost of the project, taking into account any federal tax credits or other federal or nonfederal grants or incentives that the program is benefiting from.

(b) Priority must be given to projects sited on "preferred sites" such as rooftops, structures, existing impervious surfaces, landfills, brownfields, previously developed sites, irrigation canals and ponds, stormwater collection ponds, industrial areas, dual-use solar projects that ensure ongoing agricultural operations, and other sites that do not displace critical habitat or productive farmland.

(c) For the purposes of this subsection "low-income" has the

same meaning as provided in RCW 19.405.020 and "community solar project" means a solar energy system that: Has a direct current nameplate capacity that is greater than 12 kilowatts but no greater than 199 kilowatts; and has, at minimum, either two subscribers or one low-income service provider subscriber.

(229) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5758 (condominium conversions). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(230) \$404,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5803 (wildfires/electric utilities). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(231) \$1,054,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5974 (transportation resources). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(232) \$200,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a grant to a Tacoma-based automotive museum as businesses assistance to address COVID-19 pandemic impacts to revenues from decreased attendance and loss of other revenue generating opportunities.

(233) \$63,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5544 (blockchain work group). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(234)(a) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to develop strategies for cooperation with governmental agencies of Finland, including higher education institutions, and organizations around the following:

(i) 5G connectivity, end-user applications utilizing new connectivity, and 6G;

(ii) Safety, efficiency, and green transformation of ports and other logistics including digitalization and connectivity; and

(iii) Green transformation of transport, including circular economy solutions for batteries.

(b) By June 30, 2023, the department must provide a report on the use of funds in this subsection, any key metrics and deliverables, and any recommendations for further opportunities for collaboration.

(235)(a) \$400,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a national research laboratory to:

(i) Evaluate Washington's current and future electric grid resilience and reliability based on current and projected electric energy production, ability to produce energy in-state, reliance on energy production outside of the state, and energy grid interdependence with other western states;

(ii) Identify key grid resilience and reliability challenges that could emerge under multiple future scenarios given adoption of new energy technologies, changes in residential and industrial energy demand, and changes in energy production and availability from both in and out-of-state sources;

(iii) Study the impact to the future electric grid resulting from the growth of the information technology sector, including the impact of increased data center energy demand from the tax exemptions provided in RCW 82.08.986;

(iv) Review and incorporate existing models, data, and study findings to ensure a duplication of efforts does not occur and to highlight modeling gaps related to regional grid resilience planning;

(v) Convene an advisory group to inform scenario development and review results, which may include representatives from the Washington State University Pacific Northwest national laboratory advanced grid institute, energy facility site evaluation council, department of commerce, utilities and transportation commission, relevant legislative committees, energy producers, utilities, labor, environmental organizations, tribes, and communities at high risk of rolling blackouts and power supply inadequacy; and

(vi) Develop recommendations for enhancing electric grid reliability and resiliency for Washington that includes considerations of affordability, equity, and federal funding opportunities.

(b) The department shall report findings and recommendations to the appropriate committees of the legislature by December 1, 2022, in compliance with RCW 43.01.036.

Sec. 129. 2021 c 334 s 130 (uncodified) is amended to read as follows:

FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund—State Appropriation (FY 2022)	(((\$903,000))
	\$908,000
General Fund—State Appropriation (FY 2023)	(((\$964,000))
	\$1,001,000
Lottery Administrative Account—State Appropriation	\$50,000
TOTAL APPROPRIATION	(((\$1,917,000))
	\$1,959,000

Sec. 130. 2021 c 334 s 131 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2022)	(((\$16,022,000))
	\$16,482,000
General Fund—State Appropriation (FY 2023)	(((\$15,819,000))
	\$21,640,000
General Fund—Federal Appropriation	(((\$32,507,000))
	\$33,352,000
General Fund—Private/Local Appropriation	\$531,000
Economic Development Strategic Reserve Account—State Appropriation	(((\$329,000))
	\$333,000
Workforce Education Investment Account—State Appropriation	\$100,000
Personnel Service Account—State Appropriation	(((\$23,431,000))
	\$18,813,000
Higher Education Personnel Services Account—State Appropriation	\$1,497,000
Statewide Information Technology System Development ((Maintenance and Operations)) Revolving Account—State Appropriation	(((\$102,037,000))
	\$97,432,000
Office of Financial Management Central Service Account—State Appropriation	(((\$21,945,000))
	\$22,453,000
Statewide Information Technology System Maintenance and Operations Revolving Account—State Appropriation	\$4,609,000
Performance Audits of Government Account—State Appropriation	(((\$672,000))
	\$692,000
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	\$1,560,000
TOTAL APPROPRIATION	(((\$216,450,000))
	\$219,494,000

The appropriations in this section are subject to the following

conditions and limitations:

(1)(a) The student achievement council and all institutions of higher education as defined in RCW 28B.92.030 and eligible for state financial aid programs under chapters 28B.92 and 28B.118 RCW shall ensure that data needed to analyze and evaluate the effectiveness of state financial aid programs are promptly transmitted to the education data center so that it is available and easily accessible. The data to be reported must include but not be limited to:

(i) The number of Washington college grant and college bound recipients;

(ii) Persistence and completion rates of Washington college grant recipients and college bound recipients, disaggregated by institution of higher education;

(iii) Washington college grant recipients grade point averages; and

(iv) Washington college grant and college bound scholarship program costs.

(b) The student achievement council shall submit student unit record data for state financial aid program applicants and recipients to the education data center.

(2) \$100,000 of the workforce education investment account—state appropriation is provided solely to the office of financial management to implement career connected learning.

(3)(a) (((\$102,037,000)) \$97,428,000 of the information technology system development revolving account—state appropriation, \$4,609,000 of the information technology system maintenance and operations revolving account—state appropriation, \$162,000 of the personnel services account—state appropriation, and \$162,000 of the office of financial management central services account—state appropriation are provided solely for the one Washington enterprise resource planning statewide program. Of this amount:

(i) \$7,756,000 of the information technology system development revolving account—state appropriation is provided solely for an organizational change management pool to pay for phase 1A (agency financial reporting system replacement—core financials) state agency organizational change management resources. The office of financial management will manage the pool, authorize funds, and track costs by agency by fiscal month;

(ii) \$22,000,000 of the information technology system development revolving account—state appropriation is provided solely for a technology pool to pay for phase 1A (agency financial reporting system replacement—core financials) state agency costs due to work associated with impacted financial systems and interfaces. The office of financial management will manage the pool, authorize funds, and track costs by agency by fiscal month;

(iii) \$1,326,000 of the information technology system development revolving account—state appropriation is provided solely for three dedicated information technology consultant staff to be contracted from the office of the chief information officer. These staff will work with state agencies to ensure preparation and timely decommission of information technology systems that will no longer be necessary post implementation of phase 1A (agency financial reporting system replacement—core financials);

(iv) \$4,609,000 of the information technology system ((development)) maintenance and operations revolving account—state appropriation is provided solely for maintenance and operations costs for phase 1A (agency financial reporting system replacement—core financials), which will begin in fiscal year 2023;

(v) \$9,153,000 of the information technology system development revolving account—state appropriation is provided solely for phase 1B (procurement and extended financials) in

fiscal year ((2022)) 2023;

(vi) \$162,000 of the personnel services account—state appropriation is provided solely for a dedicated staff for phase 2 (human resources) coordination; and

(vii) \$162,000 of the office of financial management central services account—state appropriation is provided solely for a dedicated staff for phase 3 (budget) coordination.

(b) Beginning July 1, 2021, the office of financial management shall provide written quarterly reports, within 30 calendar days of the end of each fiscal quarter, to legislative fiscal committees and the legislative evaluation and accountability program committee to include how funding was spent compared to the budget spending plan for the prior quarter by fiscal month and what the ensuing quarter budget will be by fiscal month. All reporting must be separated by phase of one Washington subprojects. The written report must also include:

(i) A list of quantifiable deliverables accomplished and the associated expenditures by each deliverable by fiscal month;

(ii) A report on the contract full time equivalent charged compared to the budget spending plan by month for each contracted vendor and what the ensuing contract equivalent budget spending plan assumes by fiscal month;

(iii) A report identifying each state agency that applied for and received organizational change management pool resources, the staffing equivalent used, and the cost by fiscal month by agency compared to budget spending plan;

(iv) A report identifying each state agency that applied for and received technology pool resources, the staffing equivalent used, and the cost by fiscal month by agency compared to the budget spending plan;

(v) A report on budget spending plan by fiscal month by phase compared to actual spending by fiscal month; and

(vi) A report on current financial office performance metrics that at least 10 state agencies use, to include the monthly performance data, starting July 1, 2021.

(c) Prior to spending any funds, the director of financial management must agree to the spending and sign off on the spending.

(d) This subsection is subject to the conditions, limitations, and review requirements of section 701 of this act.

(4) \$250,000 of the office of financial management central services account—state appropriation is provided solely for a dedicated information technology budget staff for the work associated with statewide information technology projects that are under the oversight of the office of the chief information officer. The staff will be responsible for providing a monthly financial report after each fiscal month close to fiscal staff of the senate ways and means and house appropriations committees to reflect at least:

(a) Fund balance of the information technology pool account after each fiscal month close;

(b) Amount by information technology project, differentiated if in the technology pool or the agency budget, of what funding has been approved to date and for the last fiscal month;

(c) Amount by agency of what funding has been approved to date and for the last fiscal month;

(d) Total amount approved to date, differentiated if in the technology pool or the agency budget, and for the last fiscal month;

(e) A projection for the information technology pool account by fiscal month through the 2021-2023 fiscal biennium close, and a calculation spent to date as a percentage of the total appropriation;

(f) A projection of each information technology project spending compared to budget spending plan by fiscal month

through the 2021-2023 fiscal biennium, and a calculation of amount spent to date as a percentage of total project cost; and

(g) A list of agencies and projects that have not yet applied for nor been approved for funding by the office of financial management.

(5) ((\$12,741,000)) \$6,741,000 of the personnel service account—state appropriation is provided solely for administration of orca pass benefits included in the 2021-2023 collective bargaining agreements and provided to nonrepresented employees. The office of financial management must bill each agency for that agency's proportionate share of the cost of orca passes. The payment from each agency must be deposited into the personnel service account and used to purchase orca passes. The office of financial management may consult with the Washington state department of transportation in the administration of these benefits.

(6) Within existing resources, the labor relations section shall produce a report annually on workforce data and trends for the previous fiscal year. At a minimum, the report must include a workforce profile; information on employee compensation, including salaries and cost of overtime; and information on retention, including average length of service and workforce turnover.

(7)(a) The office of financial management statewide leased facilities oversight team must identify opportunities to reduce statewide leased facility space given the change in business practices since 2020 whereby many state employees were mostly working remotely and may continue to do so going forward, or at least more state employees are anticipated to work remotely than in calendar year 2019.

(b) The office of financial management will work to identify opportunities for downsizing office space and increased collocation by state agencies, especially for any leases that will be up for renewal effective July 1, 2022, through June 30, 2024.

(c) The office of financial management must, in collaboration with the department of enterprise services, identify and make recommendations on reduction in leased office space by agency for fiscal years 2024 and 2025. The analysis must include detailed information on any reduced costs, such as lease contract costs, and include at least:

- (i) Agency name;
- (ii) Lease contract number and term (start and end date);
- (iii) Contract amount by fiscal year; and
- (iv) Current and future projected collocated agency tenants.

(d) The office of financial management must submit a report responsive to (a), (b), and (c) of this subsection to fiscal and appropriate policy committees of the legislature by June 30, 2022.

(8) \$105,000 of the general fund—state appropriation for fiscal year 2022 and \$68,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5163 (conditionally released sexually violent predators). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$79,000 of the general fund—state appropriation for fiscal year 2022 and \$79,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for staffing for the sentencing guidelines commission.

(10) ((\$90,000 of the general fund—state appropriation for fiscal year 2022 and \$166,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of financial management to complete the following activities:

(a) By December 1, 2022, and consistent with RCW 43.01.036, the office of financial management must submit a report to the legislature that assesses how to incorporate a net ecological gain

standard into state land use, development, and environmental laws and rules to achieve a goal of better statewide performance on endangered species recovery and ecological health. The report must address each environmental, development, or land use law or rule where the existing standard is less protective of ecological integrity than the standard of net ecological gain, including the shoreline management act (chapter 90.58 RCW), the growth management act (chapter 36.70A RCW), construction projects in state waters (chapter 77.55 RCW), and the model toxics control act.

(b) In developing the report under this section, the office of financial management must consult with the appropriate local governments, state agencies, federally recognized Indian tribes, and stakeholders with subject matter expertise on environmental, land use, and development laws including but not limited to cities, counties, ports, the department of ecology, the department of fish and wildlife, and the department of commerce.

(c) The report must include:

(i) Development of a definition, objectives, and goals for the standard of net ecological gain;

(ii) An assessment and comparison analysis of opportunities and challenges, including legal issues and costs on state and local governments to achievement of overall net ecological gain through both:

(A) Implementation of a standard of net ecological gain under different environmental, development, and land use laws; and

(B) An enhanced approach to implementing and monitoring no net loss in existing environmental, development, and land use laws;

(iii) Recommendations on funding, incentives, technical assistance, legal issues, monitoring, and use of scientific data, and other applicable considerations to the integration of net ecological gain into each environmental, development, and land use law or rule; and

(iv) An assessment of how applying a standard of net ecological gain in the context of each environmental, land use, or development law is likely to achieve substantial additional environmental or social co-benefits.

((11) \$158,000)) \$45,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$113,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the work of the office of financial management to conduct a feasibility study and make recommendations regarding the establishment of a system for streamlining the vacation of criminal conviction records in section 953 of this act.

((12)) (11)(a) \$150,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office of financial management to provide recommendations, as described in (b) of this subsection, on the procedure for providing an equity impact statement for legislative proposals, and content and format requirements for the equity impact statement.

(b) By July 1, 2022, the office of financial management must submit a report to the governor, appropriate committees of the legislature, and statutory commissions that details recommendations on:

(i) The procedure for providing an equity impact statement for legislative proposals;

(ii) The format and content requirements for the equity impact statement;

(iii) A plan, including information technology additions or revisions, necessary to provide equity impact statements;

(iv) Recommendations on which office or agency should be principally responsible for coordinating the provision of equity impact statements with state agencies; and

(v) Recommendations on any policy changes needed to

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implement the provision of equity impact statements.

(c) For the purpose of implementing this subsection, the office of financial management may contract with an entity or entities that have expertise in equity impact assessments.

(d) The office of financial management must consult with the governor's interagency council on health disparities and the office of equity in developing the procedures, and content and format requirements.

(e) For purposes of this subsection, "statutory commission" means the Washington state commission on African American affairs established in chapter 43.113 RCW, the Washington state commission on Asian Pacific American affairs established in chapter 43.117 RCW, the Washington state commission on Hispanic affairs established in chapter 43.115 RCW, the Washington state women's commission established in chapter 43.119 RCW, the Washington state LGBTQ commission established in chapter 43.114 RCW, and the human rights commission established in chapter 49.60 RCW.

((13)) (12) \$785,000 of the general fund—state appropriation for fiscal year 2022 and \$960,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1267 (police use of force). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(14)) (13) \$172,000 of the general fund—state appropriation for fiscal year 2022 and \$167,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1295 (institutional ed./release). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(15) \$300,000)) (14) \$150,000 of the general fund—state appropriation for fiscal year 2022 and (((\$300,000)) \$450,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of financial management to assist the health care authority, the department of social and health services, and the department of health in coordinating efforts to transform the behavioral health system and improve the collection and availability of data. Within these amounts, the office must provide direction and ensure coordination between state agencies in the forecasting of forensic and long-term civil commitment beds, transition of civil long-term inpatient capacity from state hospital to community settings, and efforts to improve the behavioral health crisis response system. Sufficient funding within this section is provided for the staff support and other costs related to the crisis response improvement strategy committee established in section 104 of Engrossed Second Substitute House Bill No. 1477 (national 988 system).

(15) \$40,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of financial management to review and report on vendor rates for services provided to low-income individuals at the department of children, youth, and families, the department of corrections, and the department of social and health services. The report must be submitted to the governor and the appropriate committees of the legislature by December 1, 2022, and must include review of, at least:

- (a) The current rates for services by vendor;
- (b) A history of increases to the rates since fiscal year 2010 by vendor;
- (c) A comparison of how the vendor increases and rates compare to inflation; and
- (d) A summary of the billing methodology for the vendor rates.

(16) \$35,000 of the general fund—state appropriation for fiscal year 2022 and \$86,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of

Substitute House Bill No. 1867 (dual credit program data). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(17)(a) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to contract with a third-party facilitator to convene an applicant background check work group. The purpose of the work group is to review existing requirements and processes for conducting applicant background checks for impacted individuals, and to provide a feasibility study and implementation plan for establishing a state office to centrally manage criminal background check processes for impacted individuals.

(b) For the purposes of this subsection, "impacted individuals" means applicants for state employment, current state employees, and individuals for whom an applicant background check is required as a condition of employment or to provide state services, including but not limited to individuals subject to the requirements of RCW 26.44.240, 28A.400.303, 43.43.830 through 43.43.845, 43.101.095, 43.216.270, 74.15.030, and 74.39A.056.

(c) The director of the office, or the director's designee, must chair the work group. The chair must appoint representatives to the work group including but not limited to:

- (i) A representative of the department of social and health services;
- (ii) A representative of the department of children, youth, and families;
- (iii) A representative of the Washington state patrol;
- (iv) A representative of the department of corrections;
- (v) A representative of the office of the superintendent of public instruction; and
- (vi) Other state agency representatives or representatives of interested parties, at the discretion of the chair, who have expertise in topics considered by the work group.

(d) By December 1, 2022, the work group must submit a preliminary feasibility study and implementation plan for a state central background check office to the governor and appropriate committees of the legislature. By June 1, 2023, the work group must submit a final feasibility study and implementation plan to the governor and appropriate committees of the legislature. In developing the feasibility study and implementation plan, the work group must include the following:

- (i) A review of current background check requirements and processes for impacted individuals, including:
 - (A) A list of all state positions and purposes that require a criminal background check as a condition of employment, certification, licensure, or unsupervised access to vulnerable persons;
 - (B) An analysis of any "character, suitability, and competence" components that are required in addition to an applicant background check, including whether such components are warranted and whether they result in unrealistic and unnecessary barriers or result in disproportionate negative outcomes for members of historically disadvantaged communities; and
- (C) A review of current costs of applicant background checks for state agencies and impacted individuals, including a comparison of current vendor contracts for fingerprint background checks; and

(ii) A proposal and implementation plan to establish a central state office to manage applicant background check processes. In developing the proposal, the work group must consider policy and budgetary factors including, but not limited to:

- (A) Cost structure and sharing for impacted agencies, including any cost savings that may occur from transitioning to a centralized

criminal background check process;

(B) Information technology needs for the new office and individual agencies, including any necessary information sharing agreements;

(C) Staffing;

(D) Comparable solutions and processes in other states;

(E) Potential usage of the federal rap back system, including steps necessary to join the system and associated costs and benefits;

(F) Processes and considerations to make criminal background check results portable for impacted individuals;

(G) Steps necessary to meet federal regulatory requirements and ensure federal approval of state criminal background check processes;

(H) The impact of the proposed process changes for impacted individuals who are members of historically disadvantaged populations; and

(I) Any statutory changes that may be necessary to ensure clarity and consistency.

(18) \$337,000 of the general fund—state appropriation for fiscal year 2022, \$763,000 of the general fund—state appropriation for fiscal year 2023, and \$1,560,000 of the coronavirus state fiscal recovery fund—federal appropriation are provided solely for staff and contract costs to conduct activities related to the receipt, coordination, and tracking of federal funds.

(19) \$193,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5847 (public employee PSLF info.). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(20) \$20,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of financial management to conduct a comprehensive study on student access to health care, including behavioral health care, at Washington's public institutions of higher education. The comprehensive study must also include students enrolled in state registered apprenticeship programs. The study must be conducted in collaboration with the health benefit exchange, the health care authority, the state board for community and technical colleges, the council of presidents, and the student achievement council.

(a) The community and technical colleges and the four-year institutions of higher education will make the following data for the 2022-23 academic year available to the office of financial management, the state board of community and technical colleges, and the student achievement council:

(i) The health insurance status of enrolled students;

(ii) The minimum requirements for enrolled students related to health insurance coverage;

(iii) Health insurance or health care coverage options available from the school;

(iv) A description of health care services and facilities available on campus for students, including type of providers, and ways students can access these services;

(v) Out-of-pocket costs associated with accessing or using on-campus health care services and facilities;

(vi) Student demographic information regarding utilization of on-campus health care services and facilities;

(vii) Barriers to accessing on-campus health care services and facilities;

(viii) How the college or university helps students obtain health care services not offered on campus; and

(ix) Information related to partnerships with off-campus health care providers or facilities to provide services to currently enrolled students.

(b) The office of financial management shall make reasonable efforts to provide the following information:

(i) The health insurance status of students enrolled in the 2022-23 academic year;

(ii) The minimum level of health insurance coverage, if any, community and technical colleges and four-year institutions of higher education require for students;

(iii) The types of health insurance schools provide for enrolled students;

(iv) The types of health care services available on campus, including primary care and specialty care, such as emergency services and behavioral health care resources;

(v) A description of health care services available in the communities around campuses, including emergency services and behavioral health providers;

(vi) Data collection gaps that exist related to student health insurance coverage and utilization of health care resources;

(vii) On-campus primary care and specialty care services that are common on school campuses; and

(viii) Other important information in addressing health insurance access and care for students at public institutions of higher education, including issues around equity.

(c) The legislature expects the office of financial management to submit a report to the appropriate health and education committees of the legislature. The final report must include a summary of the data reviewed by the office, including information specific to each type of campus and school, when available, and recommendations for the legislature and public institutions of higher education for improving student health care coverage and access to health care services, including for students enrolled in state registered apprenticeship programs.

(21) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute Senate Bill No. 5649 (family and medical leave). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(22)(a) \$25,000 of the general fund—state appropriation for fiscal year 2022 and \$201,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to evaluate the effectiveness, utilization, and outcomes of the voluntary incentive programs for landowners and of existing regulatory programs responsible for protecting and restoring areas along streams and rivers toward achieving a science-based standard for a fully functioning riparian ecosystem. To accomplish the evaluation, the office must:

(i) Contract with an independent entity for the analysis. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW; and

(ii) Assist agencies with funding and advice to gather and provide the data necessary for the analysis.

(b) A preliminary report is due to the governor and the appropriate committees of the legislature by September 1, 2022, to inform the development of recommendations to be contained in a final report due by December 1, 2022.

(23) \$1,326,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for additional staff for information technology and payroll support for the office of independent investigations, which was created by chapter 318, Laws of 2021 (Engrossed Substitute House Bill No. 1267).

(24) Within existing resources, the education research and data center shall submit to the student achievement council the data received from institutions of higher education as described in RCW 28B.118.090. The data shall be submitted by June 30, 2022, and June 30, 2023, and include the most recent data received from institutions of higher education.

(25) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute Senate Bill No. 5793 (state boards, etc./stipends). If the

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bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 131. 2021 c 334 s 132 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS			
Administrative Hearings Revolving Account—State Appropriation			(((\$71,650,000)) <u>\$73,391,000</u>)
Administrative Hearings Revolving Account—Local Appropriation			\$12,000
TOTAL APPROPRIATION			(((\$71,662,000)) <u>\$73,403,000</u>)

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

(1) \$22,346,000 of the administrative hearings revolving account—state appropriation is provided solely for staffing to resolve unemployment insurance appeals. The funding is provided to meet the temporary increase in unemployment insurance hearing appeals, which began in fiscal year 2021, and to reduce the appeal to resolution wait time.

(2) \$154,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5051 (peace & corrections officers). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$86,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of chapter 2, Laws of 2021 (Engrossed Substitute Senate Bill No. 5061) (unemployment insurance). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(4) \$12,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5097 (paid leave coverage). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(5) \$150,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5172 (agricultural overtime). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(6) \$161,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care and early development programs). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(7) \$19,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1073 (paid leave coverage). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(8) \$19,000 of the administrative hearings revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 2076 (transp. network companies). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 132. 2021 c 334 s 133 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE LOTTERY			
Lottery Administrative Account—State Appropriation			(((\$29,759,000)) <u>\$30,485,000</u>)
TOTAL APPROPRIATION			(((\$29,759,000))

\$30,485,000

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

(1) No portion of this appropriation may be used for acquisition of gaming system capabilities that violate state law.

(2) Pursuant to RCW 67.70.040, the commission shall take such action necessary to reduce retail commissions to an average of 5.1 percent of sales.

Sec. 133. 2021 c 334 s 134 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON HISPANIC AFFAIRS	
General Fund—State Appropriation (FY 2022)	(((\$443,000)) <u>\$538,000</u>)
General Fund—State Appropriation (FY 2023)	(((\$464,000)) <u>\$694,000</u>)
TOTAL APPROPRIATION	(((\$907,000)) <u>\$1,232,000</u>)

The appropriations in this section are subject to the following conditions and limitations: \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$160,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to collaborate with the office of equity to engage a contractor to conduct a detailed analysis of the opportunity gap for Hispanic and Latinx students; develop recommendations for continuing efforts to close the educational opportunity gap while meeting the state's academic achievement indicators as identified in the state's every student succeeds act consolidated plan; and identify performance measures to monitor adequate yearly progress. The contractor shall submit a study update by December 1, 2022, and submit a final report by June 30, 2023, to the educational opportunity gap oversight and accountability committee, the governor, the superintendent of public instruction, the state board of education, and the education committees of the legislature.

Sec. 134. 2021 c 334 s 135 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS	
General Fund—State Appropriation (FY 2022)	(((\$421,000)) <u>\$585,000</u>)
General Fund—State Appropriation (FY 2023)	(((\$431,000)) <u>\$1,350,000</u>)
TOTAL APPROPRIATION	(((\$852,000)) <u>\$1,935,000</u>)

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

(1)(a) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$700,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission on African American affairs to contract with a Washington state based organization that focuses on the health of African Americans to conduct a Black community health needs assessment. The assessment must include the following activities:

(i) Lead and produce a statewide community assets mapping project to identify institutions, providers, and nongovernmental organizations that contribute to or have impact on Black well-being;

(ii) Collect and organize Black community health needs data and information; and

(iii) Identify priorities for additional phases of work.

(b) By June 30, 2023, the commission shall submit a report to the legislature with findings and recommended solutions that will inform the structure and establishment of an African American health board network.

(2) \$40,000 of the general fund—state appropriation for fiscal

year 2022 and \$160,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to collaborate with the office of equity to engage a contractor to conduct a detailed analysis of the opportunity gap for African American and Black students; develop recommendations for continuing efforts to close the educational opportunity gap while meeting the state's academic achievement indicators as identified in the state's every student succeeds act consolidated plan; and identify performance measures to monitor adequate yearly progress. The contractor shall submit a study update by December 1, 2022, and submit a final report by June 30, 2023, to the educational opportunity gap oversight and accountability committee, the governor, the superintendent of public instruction, the state board of education, and the education committees of the legislature.

Sec. 135. 2021 c 334 s 136 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS

General Fund—State Appropriation (FY 2023)	\$609,000
Department of Retirement Systems Expense Account—State Appropriation	((\$71,462,000))
	<u>\$74,308,000</u>
TOTAL APPROPRIATION	((\$71,462,000))
	<u>\$74,917,000</u>

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

(1) \$6,007,000 of the department of retirement systems expense account—state appropriation is provided solely for pension system modernization, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

(2) \$619,000 of the department of retirement systems expense account—state appropriation is provided solely for implementation of Senate Bill No. 5367 (inactive retirement accounts). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$7,000 of the department of retirement systems expense account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5399 (universal health care commission). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(4) \$286,000 of the department of retirement systems—state appropriation is provided solely for implementation of Senate Bill No. 5021 (effects of expenditure reduction). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(5) \$48,000 of the department of retirement systems—state appropriation is provided solely for implementation of Senate Bill No. 5676 (PERS/TRS 1 benefit increase). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(6) \$82,000 of the department of retirement systems—state appropriation is provided solely for implementation of House Bill No. 1669 (PSERS disability benefits). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(7) \$609,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to implement a Roth individual retirement plan option in the deferred compensation program, including implementation of Engrossed House Bill No. 1752 (deferred compensation/Roth).

Sec. 136. 2021 c 334 s 137 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE

General Fund—State Appropriation (FY 2022)	((\$167,182,000))
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General Fund—State Appropriation (FY 2023)	\$172,407,000
	((\$411,796,000))
	<u>\$415,510,000</u>
Timber Tax Distribution Account—State Appropriation	((\$7,314,000))
	<u>\$7,616,000</u>
Business License Account—State Appropriation	((\$20,335,000))
	<u>\$21,071,000</u>
Waste Reduction, Recycling, and Litter Control Account—State Appropriation	((\$162,000))
	<u>\$173,000</u>
Model Toxics Control Operating Account—State Appropriation	((\$118,000))
	<u>\$119,000</u>
Financial Services Regulation Account—State Appropriation	\$5,000,000
TOTAL APPROPRIATION	((\$611,907,000))
	<u>\$621,896,000</u>

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

(1) \$1,056,000 of the general fund—state appropriation for fiscal year 2022 and \$409,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement 2021 revenue legislation.

(2)(a) \$1,303,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to facilitate a tax structure work group, initially created within chapter 1, Laws of 2017 3rd sp. sess. (SSB 5883) and hereby reauthorized.

(b)(i) Members serving on the tax structure work group as of the effective date of this section may continue serving on the work group. Any member not wishing to continue serving on the tax structure work group must provide written notice to the work group and the vacancy must be filled as provided in (c) of this subsection.

(ii) The work group must include the following voting members:

(A) The president of the senate must appoint two members from each of the two largest caucuses of the senate;

(B) The speaker of the house of representatives must appoint two members from each of the two largest caucuses of the house of representatives; and

(C) The governor must appoint one member who represents the office of the governor.

(iii) The work group must include the following nonvoting members:

(A) One representative of the department of revenue;

(B) One representative of the association of Washington cities; and

(C) One representative of the Washington state association of counties.

(c) Elected officials not reelected to their respective offices may be relieved of their responsibilities on the tax structure work group. Vacancies on the tax structure work group must be filled within 60 days of notice of the vacancy. The work group must choose a chair or cochair from among its legislative membership. The chair is, or cochair is, responsible for convening the meetings of the work group no less than quarterly each year. Recommendations of the work group may be approved by a simple majority vote. All work group members may have a representative attend meetings of the tax structure work group in lieu of the member, but voting by proxy is not permitted. Staff support for the work group must be provided by the department.

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The department may engage one or more outside consultants to assist in providing support for the work group. Members of the work group must serve without compensation but may be reimbursed for travel expenses under RCW 44.04.120, 43.03.050, and 43.03.060.

(d) The duties of the work group are to:

(i) By December 1, 2019, convene no less than one meeting to elect a chair, or cochairs, and conduct other business of the work group;

(ii) By December 31, 2020, the department and technical advisory group must prepare a summary report of their preliminary findings and alternatives described in (f) of this subsection;

(iii) By May 31, 2021, the work group must:

(A) Hold no less than one meeting in Olympia or virtually to review the preliminary findings described in (f) of this subsection. At least one meeting must engage stakeholder groups, as described in (e)(i) of this subsection;

(B) Begin to plan strategies to engage taxpayers and key stakeholder groups to encourage participation in the public meetings described in (f) of this subsection;

(C) Present the summary report described in (d)(ii) of this subsection in compliance with RCW 43.01.036 to the appropriate committees of the legislature;

(D) Be available to deliver a presentation to the appropriate committees of the legislature including the elements described in (e)(ii) of this subsection; and

(E) Finalize the logistics of the engagement strategies described in (d)(iv) of this subsection;

(iv) After the conclusion of the 2021 legislative session, the work group must:

(A) Hold no less than five public meetings organized by geographic region (in person or online) with special consideration for regional geographies throughout the state, rural areas, and border communities;

(B) Participate in no less than 10 existing meetings of various associations, community-based organizations, nonprofits, and similar groups in order to engage low-income and middle-income taxpayers, communities of color, senior citizens, and people with disabilities;

(C) Participate in no less than 10 existing meetings of various business and agricultural associations, chambers of commerce, ports, associate development organizations, and similar groups in order to engage small, start-up, and low-margin businesses, and other businesses;

(D) Hold no less than three listening sessions in a language other than English to engage taxpayers who speak languages including, but not limited to, Spanish, Vietnamese, Russian, and Somali;

(E) Present the findings described in (f) of this subsection and alternatives to the state's current tax structure at the public meetings utilizing a range of methods that account for different learning styles including, but not limited to, written documents, videos, animations, and graphics;

(F) Provide an opportunity at the public and other meetings for taxpayers to engage in a conversation about the state tax structure including, but not limited to, providing feedback on possible recommendations for changes to the state tax structure and asking questions about the report and findings and alternatives to the state's current tax structure presented by the work group;

(G) Utilize methods to collect taxpayer feedback before, during, or after the public meetings that may include, but is not limited to: Small group discussions, in-person written surveys, in-person visual surveys, online surveys, written testimony, and public testimony;

(H) Encourage legislators to inform their constituents about the public meetings that occur within and near their legislative districts (whether in person or online);

(I) Inform local elected officials about the public meetings that occur within and near their communities (whether in person or online);

(J) Summarize the feedback that taxpayers and other stakeholders communicated during the public meetings and other public engagement methods, and submit a final summary report, in accordance with RCW 43.01.036, to the appropriate committees of the legislature. This report may be submitted as an appendix or update to the summary report described in (d)(ii) of this subsection; and

(K) To the degree it is practicable, conduct analysis of the current tax structure and proposed alternatives to estimate the impact on taxpayers, including tax paid as a share of household income for various racial and ethnic groups as reported in the most current census data available, American community survey, or other similar data sources;

(v) During the 2022 legislative session, the work group must:

(A) Present the findings and reports described in (d)(ii) of this subsection to the appropriate committees of the legislature; and

(B) Be available to deliver a presentation to or participate in a work session for the appropriate committees of the legislature, or both;

(vi) Between the conclusion of the 2022 legislative session and December 31, 2022, the work group is directed to finalize policy recommendations and develop legislation to implement modifications to the tax structure, informed by the findings described in (d)(ii) of this subsection and the feedback received from taxpayers as reflected in the report described in (d)(iv) of this subsection. Legislative proposals recommended by the work group may not collectively result in a loss of revenue to the state as compared to the November 2022 biennial revenue forecast published by the economic and revenue forecast council. In making the recommendations, the work group must be guided by the following principles for a well designed tax system: Equity, adequacy, stability, and transparency;

(vii) During the 2023 legislative session, it is the intent of the legislature to consider the proposal described in (d)(vi) of this subsection;

(viii) If the proposal is not adopted during the 2023 legislative session, the work group is directed to host no less than three public meetings to collect feedback on the legislation proposed in the 2023 session, and may also collect feedback on other proposals under consideration by the work group, subject to the availability of funds in the 2023-2025 biennial budget. The work group is directed to modify the proposal to address the feedback collected during the public meetings;

(ix) During the 2024 legislative session, it is the intent of the legislature to consider the modified proposal described in (d)(iv) of this subsection; and

(x) By December 31, 2024, subject to the availability of funds in the 2023-2025 biennial budget, the work group is directed to submit a final report that is a compilation of all other reports previously submitted since July 1, 2019, and may include additional content to summarize final activities of the tax structure work group and related legislation, in compliance with RCW 43.01.036, to the appropriate committees of the legislature.

(e)(i) The stakeholder groups referenced by (d)(iii)(A) of this subsection must include, at a minimum, organizations and individuals representing the following:

(A) Small, start-up, or low-margin business owners and employees or associations expressly dedicated to representing these businesses, or both; and

(B) Individual taxpayers with income at or below 100 percent of area median income in their county of residence or organizations expressly dedicated to representing low-income and middle-income taxpayers, or both;

(ii) The presentation referenced in (d)(iii)(D) of this subsection must include the following elements:

(A) The findings and alternatives included in the summary report described in (d)(ii) of this subsection; and

(B) The preliminary plan to engage taxpayers directly in a robust conversation about the state's tax structure, including presenting the findings described in (f) of this subsection and alternatives to the state's current tax structure, and collecting feedback to inform development of recommendations.

(f) The duties of the department, with assistance of one or more technical advisory groups, are to:

(i) With respect to the final report of findings and alternatives submitted by the Washington state tax structure study committee to the legislature under section 138, chapter 7, Laws of 2001 2nd sp. sess.:

(A) Update the data and research that informed the recommendations and other analysis contained in the final report;

(B) Estimate how much revenue all the revenue replacement alternatives recommended in the final report would have generated for the 2017-2019 fiscal biennium if the state had implemented the alternatives on January 1, 2003;

(C) Estimate the tax rates necessary to implement all recommended revenue replacement alternatives in order to achieve the revenues generated during the 2017-2019 fiscal biennium as reported by the economic and revenue forecast council;

(D) Estimate the impact on taxpayers, including tax paid as a share of household income for various income levels, and tax paid as a share of total business revenue for various business activities, for (f)(i)(B) and (C) of this subsection; and

(E) Estimate how much revenue would have been generated in the 2017-2019 fiscal biennium if the incremental revenue alternatives recommended in the final report would have been implemented on January 1, 2003, excluding any recommendations implemented before May 21, 2019;

(ii) With respect to the recommendations in the final report of the 2018 tax structure work group:

(A) Conduct economic modeling or comparable analysis of replacing the business and occupation tax with an alternative, such as corporate income tax or margins tax, and estimate the impact on taxpayers, such as tax paid as a share of total business revenue for various business activities, assuming the same revenues generated by business and occupation taxes during the 2017-2019 fiscal biennium as reported by the economic and revenue forecast council; and

(B) Estimate how much revenue would have been generated for the 2017-2019 fiscal biennium if the one percent revenue growth limit on regular property taxes was replaced with a limit based on population growth and inflation if the state had implemented this policy on January 1, 2003;

(iii) Analyze our economic competitiveness with border states:

(A) Estimate the revenues that would have been generated during the 2017-2019 fiscal biennium, had Washington adopted the tax structure of those states, assuming the economic tax base for the 2017-2019 fiscal biennium as reported by the economic and revenue forecast council; and

(B) Estimate the impact on taxpayers, including tax paid as a share of household income for various income levels, and tax paid as a share of total business revenue for various business activities for (f)(iii)(A) of this subsection;

(iv) Analyze our economic competitiveness in the context of a national and global economy, provide comparisons of the

effective state and local tax rate of the tax structure during the 2017-2019 fiscal biennium and various alternatives under consideration, as they compare to other states and the federal government, as well as consider implications of recent changes to federal tax law;

(v) Conduct, to the degree it is practicable, tax incidence analysis of the various alternatives under consideration to account for the impacts of tax shifting, such as business taxes passed along to consumers and property taxes passed along to renters;

(vi) Present findings and alternatives, to the degree it is practicable, by geographic area, in addition to statewide; and

(vii) Conduct other analysis as directed by the work group.

(3) \$292,000 of the general fund—state appropriation for fiscal year 2022 and \$162,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 4, Laws of 2021 (SHB 1095) (emergency assistance/tax).

(4) \$212,000 of the general fund—state appropriation for fiscal year 2022 and \$33,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1477 (national 988 system). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$213,000 of the general fund—state appropriation for fiscal year 2022 and \$55,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5000 (hydrogen/electric vehicles). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(6) \$2,489,000 of the general fund—state appropriation for fiscal year 2022 and \$4,189,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5096 (capital gains tax). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(7) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$11,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Senate Bill No. 5220 (salmon recovery grants/tax). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(8) \$7,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5251 (tax and revenue laws). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(9) \$115,000 of the general fund—state appropriation for fiscal year 2022 and \$44,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5396 (farmworker housing/tax). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(10) \$97,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1480 (liquor licensee privileges). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(11) \$4,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Engrossed Senate Bill No. 5454 (prop. tax/natural disasters). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(12) (((\$5,467,000)) \$5,567,000 of the general fund—state appropriation for fiscal year 2022 and (((\$255,513,000)) \$245,997,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1297 (working families tax exempt).)

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((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)) Of the total amounts provided in this subsection:

(a) (\$5,467,000) \$5,567,000 of the general fund—state appropriation for fiscal year 2022 and (\$13,513,000) \$13,997,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for administration of the working families tax exemption program; and

(b) (\$242,000,000) \$232,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for remittances under the working families tax exemption program.

(13) From within the department's administrative expenditures from the unclaimed personal property account, the department must provide a report by December 1, 2022, to the governor and the legislature on the unclaimed property program. The report must include:

(a) Annual data for the years 2012 through 2022, that includes:

(i) The number of items of unclaimed property received by the program and the number of holders of unclaimed property who submitted items to the program; and

(ii) The top 10 holders who submitted unclaimed property and the percentage of those holders' submissions that have been subsequently claimed;

(b) Historic data since the inception of the program that shows:

(i) The cumulative number of all unclaimed property items and the aggregate, median, and mean value of those items at the end of each calendar year;

(ii) The annual number of unclaimed property items valued at less than \$75 and the percentage of these items for which the department made contact with a claimant that year; and

(iii) The annual number of direct mail contacts to prospective claimants made by the department and the resulting number of claims made within the following three months; and

(c) Customer service data for the period of December 1, 2020, through December 1, 2022, that includes:

(i) The average length of time between a claim was filed and when it was paid;

(ii) The number and percentage of claims initiated online but not able to be paid to the claimant and the reasons, by percentage, for the failure to successfully pay the claim; and

(iii) The monthly website traffic for the unclaimed property website.

(14) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement 2022 revenue legislation. Funding in this subsection is sufficient to implement legislation for which the department has administrative costs.

(15) \$146,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 2076 (transp. network companies). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(16) \$108,000 of the general fund—state appropriation for fiscal year 2022 and \$157,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Engrossed Second Substitute House Bill No. 1015 (equitable access to credit). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(17) \$141,000 of the general fund—state appropriation for fiscal year 2022 and \$190,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Engrossed Substitute House Bill No. 1643 (affordable housing/REET). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(18) \$197,000 of the general fund—state appropriation for fiscal year 2022 and \$245,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Engrossed Substitute House Bill No. 1846 (data centers tax preference). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(19) \$433,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to implement Engrossed Substitute Senate Bill No. 5531 (uniform unclaimed property). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(20) \$617,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the agency to relocate staff in the Bothell office to a more affordable location that has a lower lease cost than the current facility.

(21) \$68,000 of the general fund—state appropriation for fiscal year 2022 and \$10,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Senate Bill No. 5983 (cannabinoid regulations). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(22) \$189,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to implement Engrossed Substitute Senate Bill No. 5980 (B&O tax credits). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 137. 2021 c 334 s 138 (uncodified) is amended to read as follows:

FOR THE BOARD OF TAX APPEALS

General Fund—State Appropriation (FY 2022)	(\$2,631,000)
	<u>\$2,621,000</u>
General Fund—State Appropriation (FY 2023)	(\$2,652,000)
	<u>\$2,721,000</u>
TOTAL APPROPRIATION	(\$5,283,000)
	<u>\$5,342,000</u>

Sec. 138. 2021 c 334 s 139 (uncodified) is amended to read as follows:

FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

General Fund—State Appropriation (FY 2022)	(\$1,975,000)
	<u>\$1,993,000</u>
General Fund—State Appropriation (FY 2023)	(\$1,564,000)
	<u>\$2,001,000</u>
Minority and Women's Business Enterprises Account—State Appropriation	(\$4,607,000)
	<u>\$4,874,000</u>
TOTAL APPROPRIATION	(\$8,146,000)
	<u>\$8,868,000</u>

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

(1) The office of minority and women's business enterprises shall consult with the Washington state office of equity on the Washington state toolkit for equity in public spending.

(2) \$135,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Senate Bill No. 5032 (alternative public works contracting procedures). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$851,000 of the general fund—state appropriation for fiscal year 2022 and \$675,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Substitute House Bill No. 1259 (women and minority contracting). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

Sec. 139. 2021 c 334 s 140 (uncodified) is amended to read

as follows:

FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation	(((\$4,633,000))
	<u>\$4,672,000</u>
Insurance Commissioner's Regulatory Account—State Appropriation	(((\$66,336,000))
	<u>\$70,706,000</u>
Insurance Commissioner's Fraud Account—State Appropriation	(((\$3,603,000))
	<u>\$3,651,000</u>
TOTAL APPROPRIATION	(((\$74,572,000))
	<u>\$79,029,000</u>

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

(1) \$234,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Second Substitute Senate Bill No. 5315 (captive insurance). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(2) \$64,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Second Substitute Senate Bill No. 5313 (health ins. discrimination). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$24,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 5399 (universal health care commission). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(4) \$3,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 5377 (standardized health plans). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(5) \$649,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1196 (audio-only telemedicine). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(6) \$83,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Substitute Senate Bill No. 5003 (living donor act). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(7)(a) \$75,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for a service utilization, cost, and implementation analysis of requiring coverage for the hearing instruments benefit described in House Bill No. 1047 (hearing instruments/children) for children who are 18 years of age or younger and for children and adults.

(b) The commissioner must contract with one or more consultants to:

(i) Obtain projected utilization and cost data from Washington state health carriers for health plans, as defined in RCW 48.43.005, to provide an estimate of aggregate statewide utilization and cost impacts of the coverage described in House Bill No. 1047 (hearing instruments/children) separately for children who are 18 years of age or younger and for children and adults, expressed as total annual cost and as a per member per month cost;

(ii) Assess the impact of federal and state health care nondiscrimination laws on the scope of the benefit described in House Bill No. 1047 (hearing instruments/children); and

(iii) Provide recommendations for distributing state payments to defray the cost of the benefit coverage described in House Bill No. 1047 (hearing instruments/children) for health carriers.

(c) The commissioner must report the findings of the analysis to the appropriate committees of the legislature by December 15, 2021.

(8)(a) \$200,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for the commissioner, in consultation with the health care authority, to complete an analysis of the cost to implement a fertility treatment benefit as described in the department of health's December 2021 mandated benefit sunrise review.

(b) The commissioner must contract with one or more consultants to obtain utilization and cost data from Washington state health carriers, as defined in RCW 48.43.005, necessary to provide an estimate of the fiscal impact of providing a fertility treatment benefit for the commercial health plan market.

(c) The analysis must include, but is not limited to, a utilization and cost analysis of each of the following services:

(i) Infertility diagnosis;

(ii) Fertility medications;

(iii) Intrauterine insemination;

(iv) In vitro fertilization; and

(v) Egg freezing.

(d) The report should include projected costs expressed both as total annual costs and per member per month costs for plan years 2024 through 2027.

(e) The commissioner must report the findings of the analysis to the governor and appropriate committees of the legislature by June 30, 2023.

(9)(a) \$200,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for a contract for an actuarial study to assess options for enhancing consumer protections, expanding access to coverage, and accompanying regulations regarding medicare supplemental insurance as defined in RCW 48.66.020. The study shall evaluate, but is not limited to, the following:

(i) For at least the most recent three years for which data is available, the total number of Washington state residents enrolled in medicare, broken down by those who are enrolled in:

(A) Traditional medicare fee-for-service only;

(B) Medicare supplemental insurance plans;

(C) Medicare advantage plans; and

(D) Medicaid and will turn age 65 during the public health emergency with respect to the coronavirus disease 2019 (COVID-19);

(ii) A demographic breakdown of the age, gender, racial, ethnic, and geographic characteristics of the individuals listed in (a)(i) of this subsection. For those younger than age 65, the breakdown should separate those eligible as a result of disability and end-stage renal disease status. The commissioner may include additional demographic factors;

(iii) The estimated impact on premiums, enrollment, and increased access for individuals listed in (a)(i)(A) and (B) of this subsection if the state were to have an annual open enrollment period during which medicare supplemental insurance was guaranteed issue, including separate estimates for expanding coverage to include those eligible for medicare and younger than age 65;

(iv) The estimated impact on premiums, enrollment, and increased access for individuals in (a)(i)(A) and (B) of this subsection if medicare supplemental insurance was guaranteed issue throughout the year, including separate estimates for expanding coverage to include those eligible for medicare and younger than age 65;

(v) The net cost impact to consumers and any other affected parties of the options outlined in (a)(iii) and (iv) of this subsection;

(vi) An analysis of other factors that impact access and

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premiums for medicare-eligible individuals; and

(vii) A review of medicare supplemental insurance policy protections in other states and their impact on premiums and enrollment in these policies.

(b) By November 15, 2022, the insurance commissioner shall submit a report to the appropriate committees of the legislature with the findings of the study.

(c) The contract recipient for the actuarial study must have:

(i) A comprehensive view of the medicare supplement industry and industry expertise developed from:

(A) Consulting for a diverse group of medicare supplement stakeholders; and

(B) Working directly for insurers issuing medicare supplemental plans; and

(ii) Access to data and expertise necessary to support the study and alternative projections.

(10) \$250,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for the commissioner to contract for an assessment of federal and state authorities to provide recommendations on creating a legal framework within which continuing care retirement community products under chapter 18.390 RCW may achieve heightened consumer protections through shared regulatory oversight by the office of the insurance commissioner. The commissioner must submit a report on the assessment and recommendations to the health care committees of the legislature by December 1, 2022.

(11) \$218,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1821 (telemedicine/relationship). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(12) \$442,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1688 (out-of-network health care). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(13) \$43,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Substitute House Bill No. 1389 (peer-to-peer vehicle sharing). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(14) \$24,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement House Bill No. 1651 (postpartum contraception). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(15)(a) \$100,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for the commissioner to coordinate with the utilities and transportation commission to jointly study the issue of utility liability insurance and report findings to the governor and the appropriate committees of the legislature by June 1, 2023.

(b) The study shall:

(i) Review the availability and cost of liability insurance for electric utilities;

(ii) Identify obstacles to electric utility access to liability insurance, including market conditions as well as legal and regulatory requirements;

(iii) Evaluate financial risk to electric utilities, ratepayers, property owners, and others that exists as a result of the increased cost of insurance or in the event electric utilities are underinsured as a result of a lack of access to coverage; and

(iv) Make policy recommendations to improve access to liability insurance coverage for electric utilities.

(16) \$10,000 of the insurance commissioner's regulatory

account—state appropriation is provided solely to implement Substitute Senate Bill No. 5546 (insulin affordability). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(17) \$10,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Senate Bill No. 5508 (insurance guaranty fund). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(18) \$7,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Substitute Senate Bill No. 5589 (primary care spending). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(19) \$43,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Substitute Senate Bill No. 5610 (Rx drug cost sharing). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(20) \$31,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Second Substitute Senate Bill No. 5532 (Rx drug affordability board). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(21) \$14,000 of the insurance commissioner's regulatory account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 5702 (donor human milk coverage). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 140. 2021 c 334 s 141 (uncodified) is amended to read as follows:

FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account—State Appropriation	(((\$65,134,000)) \$69,784,000
TOTAL APPROPRIATION	(((\$65,134,000)) \$69,784,000

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

(1) \$4,464,000 of the state investment board expense account—state appropriation is provided solely for investment data software, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

(2) During the 2021-2023 fiscal biennium, the Washington state investment board shall provide the law enforcement officers' and firefighters' plan 2 retirement board use of the investment board main conference room. The law enforcement officers' and firefighters' plan 2 retirement board must be allowed to use the board room for at least five hours on one day per month during regular business hours. Any additional direct costs incurred by the investment board due solely to the use of the conference room by the retirement board may be reimbursed by the law enforcement officers' and firefighters' plan 2 retirement board, consistent with any investment board policies on reimbursement for this facility applied to other major clients and investment partners.

Sec. 141. 2021 c 334 s 142 (uncodified) is amended to read as follows:

FOR THE LIQUOR AND CANNABIS BOARD

General Fund—State Appropriation (FY 2022)	(((\$388,000)) \$407,000
General Fund—State Appropriation (FY 2023)	(((\$417,000)) \$1,612,000
General Fund—Federal Appropriation	(((\$3,013,000)) \$3,083,000
General Fund—Private/Local Appropriation	\$75,000

Dedicated Marijuana Account—State Appropriation (FY 2022)	((\$11,575,000)) \$11,846,000
Dedicated Marijuana Account—State Appropriation (FY 2023)	((\$11,608,000)) \$12,500,000
Liquor Revolving Account—State Appropriation	((\$82,347,000)) \$100,265,000
TOTAL APPROPRIATION	((\$109,423,000)) \$129,788,000

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

(1) The liquor and cannabis board may require electronic payment of the ((marijuana)) cannabis excise tax levied by RCW 69.50.535. The liquor and cannabis board may allow a waiver to the electronic payment requirement for good cause as provided by rule.

(2) Of the liquor revolving account—state appropriation, ((\$4,939,000 for fiscal year 2022 and \$2,065,000 for fiscal year 2023 are)) \$20,754,000 is provided solely for the modernization of regulatory systems and are subject to the conditions, limitations, and review requirements of section 701 of this act.

(3) \$1,441,000 of the liquor revolving account—state appropriation is provided solely for the implementation of chapter 48, Laws of 2021 (E2SHB 1480) (liquor licensee privileges).

(4) \$58,000 of the liquor revolving account—state appropriation is provided solely for the implementation of chapter 6, Laws of 2021 (ESSB 5272) (liquor & cannabis board fees).

(5) \$38,000 of the dedicated marijuana account—state appropriation for fiscal year 2022 is provided solely to implement Engrossed Substitute House Bill No. 1443 (cannabis industry/equity). ((If the bill is not enacted by June 30, 2021, the amount provided in this section shall lapse.))

(6) \$316,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementing House Bill No. 1859 (cannabis analysis labs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(7) \$20,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 is provided solely for implementing Second Substitute House Bill No. 1210 (cannabis terminology). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(8) The appropriations in this section include sufficient funding for implementation of Third Substitute House Bill No. 1359 (liquor license fees).

(9) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the board, in consultation with the office of equity and community organizations, to select a third-party contractor to prioritize applicants in the cannabis social equity program under RCW 69.50.335.

(10) \$11,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5004 (medical marijuana tax exemption). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(11) \$324,000 of the general fund—state appropriation for fiscal year 2023 and \$1,331,000 of the liquor revolving account—state appropriation are provided solely for implementing Substitute Senate Bill No. 5983 (cannabinoid regulation). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(12) \$27,000 of the liquor revolving account—state appropriation is provided solely for implementation of Senate Bill No. 5940 (liquor licenses). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(13) \$123,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5796 (dedicated cannabis distributions).

Sec. 142. 2021 c 334 s 143 (uncodified) is amended to read as follows:

FOR THE UTILITIES AND TRANSPORTATION COMMISSION

General Fund—State Appropriation (FY 2022)	((\$251,000)) \$515,000
General Fund—State Appropriation (FY 2023)	((\$199,000)) \$1,502,000
General Fund—Private/Local Appropriation	((\$16,591,000)) \$8,564,000
Public Service Revolving Account—State Appropriation	((\$42,430,000)) \$44,196,000
Public Service Revolving Account—Federal Appropriation	\$100,000
Pipeline Safety Account—State Appropriation	((\$3,435,000)) \$3,593,000
Pipeline Safety Account—Federal Appropriation	((\$3,140,000)) \$3,241,000
TOTAL APPROPRIATION	((\$66,146,000)) \$61,711,000

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

(1) Up to \$800,000 of the public service revolving account—state appropriation in this section is for the utilities and transportation commission to supplement funds committed by a telecommunications company to expand rural broadband service on behalf of an eligible governmental entity. The amount in this subsection represents payments collected by the utilities and transportation commission pursuant to the Qwest performance assurance plan.

(2) \$137,000 of the public service revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5126 (climate commitment act). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$179,000 of the public service revolving account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5295 (gas & electric rates). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(4)(a) \$251,000 of the general fund—state appropriation for fiscal year 2022 and \$199,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to examine feasible and practical pathways for investor-owned electric and natural gas utilities to contribute their share to greenhouse gas emissions reductions as described in RCW 70A.45.020, and the impacts of energy decarbonization on residential and commercial customers and the electrical and natural gas utilities that serve them.

(b) The examination required in (a) of this subsection must identify and consider:

(i) How natural gas utilities can decarbonize;

(ii) The impacts of increased electrification on the ability of electric utilities to deliver services to current natural gas customers reliably and affordably;

(iii) The ability of electric utilities to procure and deliver electric power to reliably meet that load;

(iv) The impact on regional electric system resource adequacy, and the transmission and distribution infrastructure requirements for such a transition;

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(v) The costs and benefits to residential and commercial customers, including environmental, health, and economic benefits;

(vi) Equity considerations and impacts to low-income customers and highly impacted communities; and

(vii) Potential regulatory policy changes to facilitate decarbonization of the services that gas companies provide while ensuring customer rates are fair, just, reasonable, and sufficient.

(c) The commission may require data and analysis from investor-owned natural gas and electric utilities, and consumer owned utilities may submit data to the commission to inform the investigation. The results of the examination must be reported to the appropriate legislative committees by June 1, 2023.

(5) \$76,000 of the public service revolving account—state appropriation is provided solely to implement Engrossed Third Substitute House Bill No. 1091 (transportation fuel/carbon). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(6) \$36,000 of the public service revolving account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1114 (urban heat island mitigation). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(7) \$667,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1723 (digital equity act). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(8) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the commission to coordinate with the office of the insurance commissioner to study the issue of utility liability insurance and report its findings to the governor and the appropriate committees of the legislature by June 1, 2023.

(9) \$68,000 of the public service revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5974 (transportation resources). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(10) \$92,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5678 (energy project orders). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(11) \$358,000 of the general fund—state appropriation for fiscal year 2023 and \$56,000 of the pipeline safety account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5910 (hydrogen). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

Sec. 143. 2021 c 334 s 144 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation	(FY 2022)	
		((\$1,500,000))
		<u>\$10,422,000</u>
General Fund—State Appropriation (FY 2023)		((\$9,502,000))
		<u>\$13,291,000</u>
General Fund—Federal Appropriation		((\$120,157,000))
		<u>\$132,559,000</u>
Enhanced 911 Account—State Appropriation		((\$53,834,000))
		<u>\$54,034,000</u>
Disaster Response Account—State Appropriation		((\$42,370,000))
		<u>\$75,553,000</u>
Disaster Response Account—Federal Appropriation		

	((\$920,106,000))
	<u>\$1,068,847,000</u>
Military Department Rent and Lease Account—State Appropriation	((\$994,000))
	<u>\$1,000,000</u>
Military Department Active State Service Account—State Appropriation	\$400,000
Oil Spill Prevention Account—State Appropriation	\$1,040,000
Worker and Community Right to Know Fund—State Appropriation	((\$1,832,000))
	<u>\$1,919,000</u>
TOTAL APPROPRIATION	((\$1,160,735,000))
	<u>\$1,359,065,000</u>

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

(1) The military department shall submit a report to the office of financial management and the legislative fiscal committees by February 1st and October 31st of each year detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2021-2023 biennium based on current revenue and expenditure patterns.

(2) \$40,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions: Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee.

(3) \$11,000,000 of the enhanced 911 account—state appropriation is provided solely for financial assistance to counties.

(4) \$784,000 of the disaster response account—state appropriation is provided solely for fire suppression training, equipment, and supporting costs to national guard soldiers and airmen.

(5) \$200,000 of the military department rental and lease account—state appropriation is provided solely for maintenance staff.

(6) ((\$1,000,000)) \$300,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$700,000 of the disaster response account—state appropriation are provided solely for grants to assist eligible individuals and families with the purchase of household appliances, home repair, and home replacement including construction, building materials, site preparation, and permitting fees. The maximum grant to an eligible individual or household is \$2,500. Grants will be awarded on a first-come, first-serve basis subject to availability of amounts provided in this subsection. For purposes of this subsection, "household appliance" means a machine that assists with household functions such as cooking, cleaning and food preservation. To be eligible, an individual or family must:

- (a) Be a resident of Douglas, Okanogan, Pierce, or Whitman county;
- (b) Have suffered damage to their home or was displaced from a rental unit used as their primary residence due to a wildfire occurring in fiscal year 2021;
- (c) Not have or have inadequate private insurance to cover the cost of household appliance replacement;
- (d) Not qualify for individual assistance through the federal emergency management agency; and
- (e) Meet one of the following criteria:
 - (i) Is disabled;
 - (ii) Has a household income equal to or less than 80 percent of county median household income;

(iii) The home qualified for the property tax exemption program in RCW 84.36.379 through 84.36.389; or

(iv) The home qualified for the property tax deferral program in chapter 84.38 RCW.

(7) \$2,136,000 of the general fund—federal appropriation (ARPA) is provided solely for the department to administer the emergency management performance grants according to federal laws and guidelines.

(8) \$3,808,000 of the disaster response account—state appropriation and \$46,039,000 of the disaster response account—federal appropriation are provided solely for agency costs for acquiring personal protective equipment as listed in LEAP omnibus document 2021-FEMA PPE, dated April 24, 2021. The department must coordinate with the agencies who have costs listed in LEAP omnibus document 2021-FEMA PPE, dated April 24, 2021, to ensure application to the federal emergency management agency for reimbursement.

(9)(a) \$251,000 of the general fund—state appropriation for fiscal year 2022 and (((\$250,000)) \$775,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for the military department to facilitate a task force to conduct a comprehensive after-action review of the statewide pandemic response and recovery.

(b) The task force is composed of the following members:

(i) One member from each of the two largest caucuses of the senate, appointed by the president of the senate;

(ii) One member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(iii) The secretary of the department of health, or the secretary's designee;

(iv) The adjutant general of the military department, or the adjutant general's designee;

(v) The commissioner of the employment security department, or the commissioner's designee;

(vi) The director of the department of financial institutions, or the director's designee;

(vii) The insurance commissioner, or the commissioner's designee;

(viii) The secretary of the department of social and health services, or the secretary's designee;

(ix) The superintendent of public instruction, or the superintendent's designee;

(x) The director of the department of labor and industries, or the director's designee;

(xi) The director of the department of commerce, or the director's designee;

(xii) The director of the department of enterprise services, or the director's designee;

(xiii) The secretary of the department of transportation, or the secretary's designee;

(xiv) The director of the department of licensing, or the director's designee;

(xv) The director of the office of financial management, or the director's designee;

(xvi) The director of the health care authority, or the director's designee;

(xvii) The executive director of the pharmacy quality assurance commission, or the executive director's designee;

(xviii) One member representing the Washington association of sheriffs and police chiefs;

(xix) One member representing the association of Washington businesses; and

(xx) Additional members to be appointed by the governor, as follows:

(A) One member representing the office of the governor;

(B) One member representing the association of Washington cities;

(C) One member representing the Washington state association of counties;

(D) One member representing emergency and transitional housing providers;

(E) One member representing a statewide association representing physicians;

(F) One member representing a statewide association representing nurses;

(G) One member representing a statewide association representing hospitals;

(H) One member representing community health centers;

(I) Two members representing local public health officials;

(J) Two members representing local emergency management agencies, one member located west of the crest of the Cascade mountains and one member located east of the crest of the Cascade mountains;

(K) At least one member representing federally recognized tribes;

(L) Up to 10 members representing demographic groups that have been disproportionately impacted by the COVID-19 pandemic, that include, but are not limited to, individuals of different race, class, gender, ethnicity, and immigration status;

(M) One member representing leisure and hospitality industries;

(N) One member representing education services; and

(O) One member representing manufacturing and trade industries.

(c) The adjutant general, or the adjutant general's designee, and the secretary of the department of health, or the secretary's designee, shall cochair the task force and convene its initial meeting.

(d)(i) The task force shall conduct the comprehensive after-action review of the COVID-19 pandemic response in accordance with established national standards for emergency or disaster after-action reviews. In order to improve the response to and recovery from future pandemics, the task force shall develop lessons learned and make recommendations that include, but are not limited to, the following:

(A) Aspects of the COVID-19 response that may inform future pandemic and all-hazards responses;

(B) Emergency responses that would benefit the business community and workers during a pandemic;

(C) Standards regarding flexible rent and repayment plans for residential and commercial tenants during a pandemic;

(D) Whether establishing regional emergency management agencies would benefit Washington state emergency response to future pandemics;

(E) Gaps and needs for volunteers to support medical professionals in performing their pandemic emergency response functions within Washington state;

(F) Gaps and needs for tools to measure the scale of an impact caused by a pandemic and tailoring the pandemic response to affected regions based on the scale of the impact in those regions;

(G) Gaps and needs in health care system capacity and case tracking, monitoring, control, isolation and quarantine, and deploying medical supplies and personnel; and

(H) Implementing guidelines for school closures during a pandemic.

(ii) The topics identified in (i) of this subsection ((7)) (9)(d) are intended to be illustrative but not exhaustive. The task force should consider issues relating to equity, disparities, and discrimination in each topic it studies and for which it makes recommendations.

(e) The military department must provide staff support for the

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task force. The military department may employ staff and contracted support to fulfill the requirements of this subsection.

(f) The task force shall consult with owners of small businesses, epidemiologists, and representatives of immigrant communities.

(g) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members shall be reimbursed for travel expenses in accordance with chapter 43.03 RCW.

(h) The task force shall report its initial findings and recommendations to the governor and the appropriate committees of the legislature by June 30, 2022. The task force shall report its final findings and recommendations to the governor and the appropriate committees of the legislature by June 30, 2023.

(10)(a) Within amounts appropriated in this act, the department must coordinate with the department of commerce in the administration of the grant program created in section 129(88) of this act.

(b) If the federal emergency management agency provides reimbursement for any portion of the costs incurred by a city or county that were paid for using state grant funding provided under section 129(88) of this act, the military department shall remit the reimbursed funds to the state general fund.

(c) The department must provide technical assistance for the public assistance program application process to applicants to the grant program created in section 129(88) of this act.

(11) \$438,000 of the disaster response account—state appropriation is provided solely for a dedicated access and functional needs program manager, access and functional need services, and a dedicated tribal liaison to assist with disaster preparedness and response.

(12) \$275,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide a grant to the Ruckelshaus center to compare traditional decision making systems with other decision making structures and provide recommendations for future emergency responses.

(13) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract for the development of a plan for a state-level disaster individual assistance program. The program should be modeled after successful programs in other states and be linked to complimentary programs at agencies such as the departments of commerce and social and health services, and the office of the governor. The fully developed program will detail the establishment, operations, and maintenance of a state-level disaster individual assistance program. A report detailing findings and recommendations for creating the program shall be delivered to the appropriate legislative committees by June 30, 2023.

(14) \$15,000 of the enhanced 911 account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 5555 (safety telecommunicators). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(15) \$7,500,000 of the disaster response account—state appropriation is provided solely for the department to make grants for individual assistance to those impacted by extreme weather events and natural disasters in fiscal year 2022 and fiscal year 2023.

(16) \$4,853,000 of the disaster response account—state appropriation is provided solely for the department to use as matching funds for the federal emergency management agency building resilient infrastructure and communities (BRIC) grant program.

Sec. 144. 2021 c 334 s 145 (uncodified) is amended to read as follows:

FOR THE PUBLIC EMPLOYMENT RELATIONS

COMMISSION

General Fund—State Appropriation (FY 2022)((\$2,401,000))
\$2,402,000

General Fund—State Appropriation (FY 2023)((\$2,371,000))
\$2,451,000

Personnel Service Account—State Appropriation
((\$4,382,000))
\$4,455,000

Higher Education Personnel Services Account—State Appropriation
((\$1,407,000))
\$1,428,000

TOTAL APPROPRIATION ((\$10,561,000))
\$10,736,000

The appropriations in this section are subject to the following conditions and limitations: \$52,000 of the general fund—state appropriation for fiscal year 2022 and \$5,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Substitute Senate Bill No. 5055 (law enforcement grievances). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

Sec. 145. 2021 c 334 s 146 (uncodified) is amended to read as follows:

FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account—State Appropriation
((\$4,438,000))

\$4,497,000

TOTAL APPROPRIATION (((\$4,438,000))
\$4,497,000

Sec. 146. 2021 c 334 s 147 (uncodified) is amended to read as follows:

FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' and Reserve Officers' Administrative Account—State Appropriation(((\$4,960,000))

\$4,978,000

TOTAL APPROPRIATION (((\$4,960,000))
\$4,978,000

The appropriation in this section is subject to the following conditions and limitations: \$3,930,000 of the volunteer firefighters' and reserve officers' administrative account—state appropriation is provided solely for a benefits management system, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

Sec. 147. 2021 c 334 s 148 (uncodified) is amended to read as follows:

FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account—State Appropriation
((\$753,000))

\$754,000

TOTAL APPROPRIATION (((\$753,000))
\$754,000

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

(1)(a) \$250,000 of the death investigations account—state appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

(b) Of the amounts provided in this subsection, \$30,000 of the death investigations account—state appropriation is provided solely for the Adams county crime lab to investigate a double homicide that occurred in fiscal year 2021.

(2) \$210,000 of the death investigations account—state appropriation is provided solely for providing financial assistance

to local jurisdictions in identifying human remains.

(3) Within the amount appropriated in this section, the forensic investigation council may enter into an interagency agreement with the department of enterprise services for the department to provide services related to public records requests, to include responding to, or assisting the council in responding to, public disclosure requests received by the council.

Sec. 148. 2021 c 334 s 149 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

General Fund—State Appropriation (FY 2022)	(\$5,976,000)
	<u>\$7,016,000</u>
General Fund—State Appropriation (FY 2023)	(\$5,833,000)
	<u>\$12,516,000</u>
General Fund—Private/Local Appropriation	\$102,000
Building Code Council Account—State Appropriation	(((\$1,825,000))
	<u>\$2,277,000</u>
TOTAL APPROPRIATION	(((\$13,736,000))
	<u>\$21,911,000</u>

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

(1) (((\$5,208,000)) \$6,151,000 of the general fund—state appropriation for fiscal year 2022 and (((\$5,269,000)) \$6,127,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the payment of facilities and services charges to include campus rent, ((utilities,)) parking, security, ((and)) contracts, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, legislative support services, and joint legislative systems committee. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

(2) Before any agency may purchase a passenger motor vehicle as defined in RCW 43.19.560, the agency must have written approval from the director of the department of enterprise services. Agencies that are exempted from the requirement are the Washington state patrol, Washington state department of transportation, and the department of natural resources.

(3) From the fee charged to master contract vendors, the department shall transfer to the office of minority and women's business enterprises in equal monthly installments \$1,500,000 in fiscal year 2022 and \$1,300,000 in fiscal year 2023.

(4) Within existing resources, beginning October 31, 2021, the department, in collaboration with consolidated technology services, must provide a report to the governor and fiscal committees of the legislative by October 31 of each calendar year that reflects information technology contract information based on a contract snapshot from June 30 of that same calendar year, and must also include any contract that was active since July 1 of the previous calendar year. The department will coordinate to receive contract information for all contracts to include those where the department has delegated authority so that the report includes statewide contract information. The report must contain a list of all information technology contracts to include the agency name, contract number, vendor name, contract term start and end dates, contract dollar amount in total, and contract dollar amounts by state fiscal year. The report must also include, by contract, the

contract spending projections by state fiscal year for each ensuing state fiscal year through the contract term, and note the type of service delivered. The list of contracts must be provided electronically in Excel and be sortable by all field requirements. The report must also include trend analytics on information technology contracts, and recommendations for reducing costs where possible.

(5) \$162,000 of the general fund—state appropriation in fiscal year 2022 and \$162,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to waive rent fees and charges through June 30, 2023, for vendors who are blind business enterprise program licensees by the department of services for the blind and who lease space and operate food service businesses, inclusive of delis, cafeterias, and espresso stands, in state government buildings.

(6) Within existing resources, the state building code council, in collaboration with the LGBTQ commission, must develop a plan to incorporate into future Washington state building codes options for the design and construction of inclusive bathroom facilities that are consistent with a person's own gender expression or gender identity. Coordination must begin by September 1, 2021, and a preliminary report of the plan is due by September 1, 2022.

(7)(a) The department must work with the office of financial management to identify leases that will be up for renewal effective July 1, 2022, through June 30, 2024.

(b) The department must collaborate with the office of financial management on reduction in leased office space by agency for fiscal years 2024 and 2025.

(8)(a) The department must work collaboratively with at least each state agency that has fleet vehicles to discuss the agency need for the number of fleet vehicles each agency has as of July 1, 2021. The department must identify and report, at least:

(i) The count of fleet vehicles by agency by type, and the cost by fund source by fiscal year for fiscal year 2019, 2020, 2021, 2022, and 2023 for agency fleet vehicles;

(ii) The mileage data by agency by fleet vehicle for fiscal year 2019, 2020, and 2021, and the estimates for fiscal year 2022 and 2023; and

(iii) The business justification for the amount of fleet vehicles in fiscal year 2022 and 2023, by agency, given the change in business practice from in-person to remote work and video conferencing that began in 2020.

(b) The department must submit the report to fiscal and appropriate policy committees of the legislature by December 1, 2021.

(9)(a) The department must examine the motor pool fleet to determine the need for the number of vehicles. The department must identify, at least:

(i) The count of motor pool vehicles by type;

(ii) The cost recovery needed by fiscal year for fiscal year 2021, 2022, and 2023. This must include the anticipated recovery by fund source by fiscal year for fiscal year 2021, 2022, and 2023;

(iii) The mileage data by motor pool vehicle for fiscal year 2019, 2020, and 2021, and the estimates for 2022 and 2023; and

(iv) The business justification for the amount of motor vehicles in fiscal year 2022 and 2023, given the change in business practice from in-person to remote work and video conferencing.

(b) The department must report to fiscal and appropriate policy committees of the legislature by December 1, 2021.

(10) \$69,000 of the building code council account—state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1184 (risk-based water quality standards). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(11)(a) \$654,000 of the general fund—state appropriation for

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fiscal year 2023 is provided solely for the department, in collaboration with the state efficiency and environmental performance program, to:

(i) Prepare a zero emission vehicle implementation strategy, to include standard metrics and reporting requirements, for the department's managed vehicles, as outlined in executive order 21-04, to include at least passenger vehicles and maintenance vehicles;

(ii) Prepare a zero emission vehicle implementation strategy in collaboration with state agencies, to include standard metrics and reporting requirements, for state-owned agency fleet vehicles, as outlined in executive order 21-04, to include at least passenger vehicles and maintenance vehicles;

(iii) Collect and report on what vehicles from (a)(i) and (ii) of this subsection are covered under executive order 21-04 as EV ready, and at what interval by fiscal year and at what cost by vehicle make and model;

(iv) Identify current barriers to EV replacement strategies and outline strategies to overcome these barriers for (a)(i) and (ii) of this subsection and report on these discretely;

(v) Identify optimal charging hub locations by fiscal year for (a)(i) and (ii) of this subsection and the estimated costs to do so by fiscal year;

(vi) Prepare a comprehensive fleet transition schedule for (a)(i) and (ii) of this subsection;

(vii) Create implementation plan templates for use by state agencies; and

(viii) Estimate fiscal impacts of EV costs by vehicle type compared to the base funding that was used to purchase or lease the vehicles being replaced for (a)(i) and (ii) of this subsection.

(b) The department must submit a preliminary report responsive to (a)(i) through (viii) of this subsection by April 30, 2023, to the fiscal committees of the legislature, and a final report by June 30, 2023.

(12) \$2,952,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for zero emission electric vehicle supply equipment infrastructure at state-owned facilities to accommodate charging station installation. The electric vehicle charging equipment must allow for the collection of usage data and must be coordinated with the state efficiency and environmental performance program. The department must prioritize locations based on state efficiency and environmental performance location priorities, and at least where zero emission fleet vehicles are scheduled to be purchased in fiscal year 2023. The department must report when and where the equipment was installed, usage data at each charging station, and the state agencies and state facilities that benefit from the installation of the charging station to the fiscal committees of the legislature by June 30, 2023, for those installed in fiscal year 2023, and each fiscal year thereafter if further funding is provided. The department shall collaborate with the interagency electric vehicle coordinating council established in Engrossed Substitute Senate Bill No. 5974 (transportation resources) to implement this subsection and must work to meet benchmarks established in Engrossed Substitute Senate Bill No. 5974 (transportation resources).

Sec. 149. 2021 c 334 s 150 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund—State Appropriation (FY 2022)	(\$2,736,000)
	\$2,721,000
General Fund—State Appropriation (FY 2023)	(\$2,779,000)
	\$3,721,000
General Fund—Federal Appropriation	(((\$2,948,000))

	\$3,325,000
General Fund—Private/Local Appropriation	\$14,000
TOTAL APPROPRIATION	(((\$8,477,000))
	\$9,781,000

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

(1) \$103,000 of the general fund—state appropriation for fiscal year 2022 and \$103,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for archaeological determinations and excavations of inadvertently discovered skeletal human remains, and removal and reinterment of such remains when necessary.

(2) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$550,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington main street program, including \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 provided solely for a pilot project grant program for affiliate main street programs. From the amount provided in this subsection, the department may provide grants of up to \$40,000 to the affiliate main street programs for staffing costs, capacity building, and other costs associated with establishing a local nonprofit organization focused solely on downtown revitalization. The department must prioritize affiliate main street programs in locations with a population under 20,000.

(3) \$92,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department of archeology and historic preservation to conduct a comprehensive study, jointly with the department of licensing, to review the definition of a cemetery, examine current protections and oversight authority, and provide recommendations for future protections and oversight authority of cemeteries in Washington state. The department may solicit input for the analysis from representatives of interested parties to include, but not be limited to, cities, counties, tribes, and law enforcement. The departments shall submit the study to the legislature by December 31, 2022.

(4) \$150,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to develop a trial mapping project that will result in information that state and local planners may use to make land use and transportation decisions through an equity lens. The department may use funding provided in this subsection to:

(a) Engage with marginalized communities and other relevant stakeholders to prioritize locations included in the trial mapping project;

(b) Create and publish documentation of historic places and buildings included in current cultural resources practice framework; and

(c) Make available geographic information system data that is compatible across state and local government mapping platforms.

(5) \$2,000 of the general fund—state appropriation for fiscal year 2022 and \$48,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to collaborate with Black and African American communities across the state to record important historic properties. The department may use funding provided in this subsection to:

(a) Use maps and engage stakeholders in the Black and African American communities to locate geographic areas where Black and African Americans lived and worked before the year 1970;

(b) Engage with Black and African American communities and stakeholders to identify places that are of historic significance;

(c) Add documentation to the department's state database of historic properties; and

(d) Create outreach products to inform and educate the public

on the historic properties.

(6) \$98,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute House Bill No. 1753 (climate funding/tribes). If the bill is not enacted by June 30, 2022, the amount in this subsection shall lapse.

(7) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a nonprofit dedicated to providing an online statewide historical encyclopedia to produce and share materials that explore the history of waterfront park and Seattle's central waterfront.

Sec. 150. 2021 c 334 s 151 (uncodified) is amended to read as follows:

FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

General Fund—State Appropriation (FY 2022)	\$581,000
General Fund—State Appropriation (FY 2023) (((\$531,000))	
	<u>\$631,000</u>
Consolidated Technology Services Revolving Account—State Appropriation	(((\$53,030,000))
	<u>\$60,113,000</u>
TOTAL APPROPRIATION	(((\$54,142,000))
	<u>\$61,325,000</u>

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

(1) (((\$11,623,000)) \$11,598,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of the chief information officer. Of this amount:

(a) \$2,000,000 of the consolidated technology services revolving account—state appropriation is provided solely for experienced information technology project managers to provide critical support to agency IT projects that are under oversight from the office of the chief information officer. The staff or vendors will:

(i) Provide master level project management guidance to agency IT stakeholders;

(ii) Consider statewide best practices from the public and private sectors, independent review and analysis, vendor management, budget and timing quality assurance and other support of current or past IT projects in at least Washington state and share these with agency IT stakeholders and legislative fiscal staff at least ((quarterly)) twice annually and post these to the statewide IT dashboard; and

(iii) Provide independent recommendations to legislative fiscal committees by December of each calendar year on oversight of IT projects to include opportunities for accountability and performance metrics.

(b) \$2,960,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of privacy and data protection.

(2) (((\$12,393,000)) \$12,168,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of cyber security.

(3) The consolidated technology services agency shall work with customer agencies using the Washington state electronic records vault (WASERV) to identify opportunities to:

(a) Reduce storage volumes and costs associated with vault records stored beyond the agencies' record retention schedules; and

(b) Assess a customized service charge as defined in chapter 304, Laws of 2017 for costs of using WASERV to prepare data compilations in response to public records requests.

(4)(a) In conjunction with the office of the chief information officer's prioritization of proposed information technology expenditures, agency budget requests for proposed information

technology expenditures must include the following:

(i) The agency's priority ranking of each information technology request;

(ii) The estimated cost by fiscal year and by fund for the current biennium;

(iii) The estimated cost by fiscal year and by fund for the ensuing biennium;

(iv) The estimated total cost for the current and ensuing biennium;

(v) The total cost by fiscal year, by fund, and in total, of the information technology project since it began;

(vi) The estimated cost by fiscal year and by fund over all biennia through implementation and close out and into maintenance and operations;

(vii) The estimated cost by fiscal year and by fund for service level agreements once the project is implemented;

(viii) The estimated cost by fiscal year and by fund for agency staffing for maintenance and operations once the project is implemented; and

(ix) The expected fiscal year when the agency expects to complete the request.

(b) The office of the chief information officer and the office of financial management may request agencies to include additional information on proposed information technology expenditure requests.

(5) The consolidated technology services agency must not increase fees charged for existing services without prior approval by the office of financial management. The agency may develop fees to recover the actual cost of new infrastructure to support increased use of cloud technologies.

(6) Within existing resources, the agency must provide oversight of state procurement and contracting for information technology goods and services by the department of enterprise services.

(7) Within existing resources, the agency must host, administer, and support the state employee directory in an online format to provide public employee contact information.

(8) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that the development of projects identified in this report and all those projects undertaken by the coalition are planned for in a manner that ensures the efficient use of state resources, supports the adoption of a cohesive technology and data architecture, and maximizes federal financial participation. Beginning July 31, 2022, and by July 31st each year, the office of the chief information officer shall collect from the coalition information to produce summaries and budget detail sufficient to allow review, analysis, and documentation of all current and proposed expenditures for coalition information technology projects that are in progress or anticipated to start within this fiscal biennium. The office must also complete a services consultation with the coalition on any and all active coalition projects each August, effective August 1, 2022, regardless of whether any coalition agency will ask for new funding through the budget process, and include projects the coalition is working on with base funding or other funding arrangements. As a result of this consultation, the office of the

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chief information officer must add a prioritized recommendation of the projects reviewed and submit that to fiscal committees of the legislature each October 31st, effective October 31, 2022. The work of the coalition and any project identified as a coalition project is subject to the conditions, limitations, and review provided in section 701 of this act.

(9) ((\$4,303,000)) \$4,330,000 of the consolidated technology services revolving account—state appropriation is provided solely for the creation and ongoing delivery of information technology services tailored to the needs of small agencies. The scope of services must include, at a minimum, full-service desktop support, service assistance, security, and consultation.

(10) \$23,150,000 of the consolidated technology services revolving account—state appropriation is provided solely for the procurement and distribution of Microsoft 365 licenses which must include advanced security features and cloud-based private branch exchange capabilities for state agencies. The office must report annually to fiscal committees of the legislature beginning December 31, 2021, and each December 31 thereafter, on the count and type of licenses distributed by consolidated technology services to each state agency. The report must also separately report on the count and type of Microsoft 365 licenses that state agencies have in addition to those that are distributed by consolidated technology services so that the total count, type of license, and cost is known for statewide Microsoft 365 licenses.

(11)(a) The statewide information technology dashboard elements must include, at a minimum, the:

- (i) Start date of the project;
- (ii) End date of the project, when the project will close out and implementation will commence;
- (iii) Term of the project in state fiscal years across all biennia to reflect the start of the project through the end of the project;
- (iv) Total project cost from start date through the end date of the project in total dollars, and a subtotal of near general fund outlook;
- (v) Near general fund outlook budget and actual spending in total dollars and by fiscal month for central service agencies that bill out project costs;
- (vi) Start date of maintenance and operations;
- (vii) Estimated annual state fiscal year cost of maintenance and operations after implementation and close out;
- (viii) Actual spending by state fiscal year and in total for state fiscal years that have closed;
- (ix) Date a feasibility study was completed; and
- (x) A list of funding received by fiscal year by enacted session law, and how much was received citing chapter law as a list of funding provided by fiscal year.

(b) The office of the chief information officer may recommend additional elements to include but must have agreement with legislative fiscal committees and the office of financial management prior to including additional elements.

(c) The agency must ensure timely posting of project data on the statewide information technology dashboard for at least each project funded in the budget and under oversight to include, at a minimum, posting on the dashboard:

- (i) The budget funded level by project for each project under oversight within 30 calendar days of the budget being signed into law;
- (ii) The project historical expenditures through fiscal year 2021, by December 31, 2021, for all projects that started prior to July 1, 2021;
- (iii) The project historical expenditures through fiscal year 2022, by December 31, 2022, for all projects that started prior to July 1, 2022; and
- (iv) Whether each project has completed a feasibility study.

(12) Within existing resources, consolidated technology services must collaborate with the department of enterprise services on the annual contract report that provides information technology contract information. Consolidated technology services will:

(a) Provide ((Apptio)) data to the department of enterprise services annually beginning September 1, 2021, and each September 1 of each year; and

(b) Provide analysis on contract information for all agencies comparing spending across state fiscal years by, at least, the contract spending towers.

(13) ((\$129,000 of the consolidated technology services revolving account—state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5062 (data). If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(14))) \$12,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office of the chief information officer who must convene a work group to examine how automated decision making systems can best be reviewed before adoption and while in operation and be periodically audited to ensure that such systems are fair, transparent, accountable and do not improperly advantage or disadvantage Washington residents.

(a) The work group must be composed of:

- (i) A representative of the department of children, youth, and families;
- (ii) A representative of the department of corrections;
- (iii) A representative of the department of social and health services;
- (iv) A representative of the department of enterprise services;
- (v) At least two representatives from universities or research institutions who are experts in the design and effect of an algorithmic system; and
- (vi) At least five representatives from advocacy organizations that represent communities that are disproportionately vulnerable to being harmed by algorithmic bias, including but not limited to, African American, Hispanic American, Native American, and Asian American communities, religious minorities, people with disabilities, and other vulnerable minorities.

(b) The purpose of the work group is to develop recommendations for changes in state law and policy regarding the development, procurement, and use of automated decision systems by public agencies. The work group must examine:

- (i) When state agency use of automated decision making systems should be prohibited;
- (ii) When state agency use of artificial intelligence-enabled profiling systems should be prohibited;
- (iii) Changes in the procurement of automated decision systems, including when the procurement must receive prior approval by the office of chief information officer;
- (iv) How to review, identify, and audit systems to ensure that the system prior to procurement and after placed into service does not discriminate against an individual, or treat an individual less favorably than another, in whole or in part, on the basis of one or more factors enumerated in RCW 49.60.010;
- (v) How to provide public notice when an automated decision system is in use and how to appeal such decisions;
- (vi) How automated decision system data should be stored and whether such data should be shared outside the system; and
- (vii) Other issues determined by the office of chief information officer or the department of enterprise services that are necessary to govern state agency procurement and use of automated decision systems.

(c) To demonstrate the impacts of its recommendations, the

work group must select one of following automated decision making systems and describe how their implementation would affect the procurement of a new system and the use the existing system:

(i) The department of children, youth, and families system used to determine risk in the family child welfare system;

(ii) The department of corrections system used to determine risk for purposes of evaluating early release and/or sentencing; or

(iii) The department of social and health services system used for hospital admissions.

(d) The work group shall meet at least four times, or more frequently to accomplish its work. The office of the chief information officer must lead the work group. Each of the state agencies identified in (a) of this subsection must provide staff support to the work group and its activities.

(e) The work group must submit a report to the fiscal committees of the legislature and the governor no later than December 1, 2021.

(f) For purposes of this subsection, "automated decision system" or "system" means any algorithm, including one incorporating machine learning or other artificial intelligence techniques, that uses data-based analysis or calculations to make or support government decisions, judgments, or conclusions that cause a Washington resident to be treated differently than another Washington resident in the nature or amount of governmental interaction with that individual including, without limitation, benefits, protections, required payments, penalties, regulations, timing, application, or process requirements.

((15)) (14) \$81,000 of the consolidated technology services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1274 (cloud computing solutions). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(16)) (15)(a) \$381,000 of the general fund—state appropriation for fiscal year 2022 and \$343,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the chief information officer to provide a common platform for hosting existing state data on natural hazards risks into a comprehensive, multihazard, statewide, geospatial data portal to assist with state hazard risk and resilience mapping and analysis. In performing this work, the office of the chief information officer will:

(i) Coordinate with the state emergency management division, office of the insurance commissioner, University of Washington climate impacts group and Washington sea grant, Washington State University water research center, and the state departments of ecology, health, natural resources, and transportation on the project scope, user needs, and deliverables;

(ii) Organize data in standardized and compatible formats including temporal data, where able; and

(iii) Address credentialing for secure access to protect sensitive data needed for risk analyses.

(b) By December 1, 2022, in consultation with the governor's office and the other agencies listed above, the office of the chief information officer will provide a progress report to the relevant legislative committees on the development of the platform and data sharing agreements.

(c) By June 1, 2023, in consultation with the governor's office and the other agencies listed above, the office of the chief information officer will provide a final report with recommendations for further enhancing natural hazards resiliency by using data to inform the development of a statewide resilience strategy.

(d) This subsection is subject to the conditions, limitations, and review of section 701 of this act.

((17)) (16) \$1,493,000 of the consolidated technology

services revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5432 (cybersecurity/state gov.). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(17) \$4,333,000 of the consolidated technology services revolving account—state appropriation is provided solely for implementation of the enterprise cloud computing program as outlined in the December 2020 Washington state cloud readiness report. Funding provided includes, but is not limited to, cloud service broker resources, cloud center of excellence, cloud management tools, a network assessment, cybersecurity governance, and a cloud security roadmap.

(18) \$2,375,000 of the consolidated technology services revolving account—state appropriation is provided solely for the implementation of the recommendations of the cloud transition task force report to include:

(a) Establishing a cloud readiness program to help agencies plan and prepare for transitioning to cloud computing;

(b) Establishing the cloud retraining program to provide a coordinated approach to skills development and retraining; and

(c) Staffing to define career pathways and core competencies for the state's information technology workforce.

(19) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of the chief information officer, who must:

(a) Prepare with the cooperation of state agencies and make publicly available on its website, by January 1, 2023, an initial inventory of all automated decision systems that are currently being used by state agencies; and

(b) Adopt guidance, by June 30, 2022, for state agencies regarding minimum standards that should be used for automated decision systems the agency plans to develop or procure during the 2023 fiscal year.

Sec. 151. 2021 c 334 s 152 (uncodified) is amended to read as follows:

FOR THE BOARD OF REGISTRATION OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS

Professional Engineers' Account—State Appropriation
(((\$4,190,000))

\$4,229,000

TOTAL APPROPRIATION (((\$4,190,000))

\$4,229,000

NEW SECTION. Sec. 152. A new section is added to 2021 c 334 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS

Financial Services Regulation Nonappropriated

Account—State Appropriation \$140,000

TOTAL APPROPRIATION \$140,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided solely for the department of financial institutions to conduct a survey of foreclosure trustees doing business in the state of Washington for owner-occupied residential real property between January 1, 2017, and December 31, 2019.

(1) The survey must include:

(a) The name and place of business of the trustee, its owner, and any affiliated firms or businesses that do business in Washington;

(b) The number of notices of trustee sale filed each year for each beneficiary;

(c) Templates without personally identifiable information of all notices sent to borrowers within the survey period; and

(d) Samples of service contracts between the trustee and each beneficiary.

(2) By January 1, 2023, the department of financial institutions

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shall submit a report to the legislature on the results of the survey and include a discussion of the regulation of foreclosure trustees in Washington's nonjudicial foreclosure system.

NEW SECTION. Sec. 153. A new section is added to 2021 c 334 (uncodified) to read as follows:

FOR THE WASHINGTON STATE LEADERSHIP BOARD

Washington State Leadership Board Account—State Appropriation (FY 2023)	\$637,000
TOTAL APPROPRIATION	\$637,000

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

(1) \$187,000 of the Washington state leadership board account—state appropriation is provided solely for implementation of Senate Bill No. 5750 (WA state leadership board). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(2) \$450,000 of the Washington state leadership board account—state appropriation for fiscal year 2023 is provided solely for implementing programming in RCW 43.15.030, and specifically the Washington world fellows program, sports mentoring program/boundless Washington, compassion scholars, and the Washington state leadership awards. If Senate Bill No. 5750 (WA state leadership board) is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

**PART II
HUMAN SERVICES**

Sec. 201. 2021 c 334 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the

geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(4) The department shall to the maximum extent practicable use the same system for delivery of spoken-language interpreter services for social services appointments as the one established for medical appointments in the health care authority. When contracting directly with an individual to deliver spoken language interpreter services, the department shall only contract with language access providers who are working at a location in the state and who are state-certified or state-authorized, except that when such a provider is not available, the department may use a language access provider who meets other certifications or standards deemed to meet state standards, including interpreters in other states.

(5) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department of social and health services are subject to technical oversight by the office of the chief information officer.

(6)(a) The department shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the department and its contractors. Prior to open enrollment, the department shall coordinate with the health care authority to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

(b) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. The department shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for public assistance benefits.

(7) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that projects are planned for in a manner that ensures the efficient use of state resources, support the adoption of a cohesive technology and data architecture, and maximize((s)) federal financial participation. The work of the coalition is subject to the conditions, limitations, and review provided in section 701 of this act.

(8)(a) The appropriations to the department of social and health services in this act must be expended for the programs and in the amounts specified in this act. However, after May 1, 2022, unless prohibited by this act, the department may transfer general fund—state appropriations for fiscal year 2022 among programs and subprograms after approval by the director of the office of financial management. However, the department may not transfer state appropriations that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2022 in response to the COVID-19 pandemic or caseload

forecasts and utilization assumptions in the long-term care, developmental disabilities, and public assistance programs, the department may transfer state appropriations that are provided solely for a specified purpose. The department may not transfer funds, and the director of the office of financial management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of the office of financial management shall notify the appropriate fiscal committees of the legislature in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(9) The department may not transfer appropriations for the developmental disabilities program to any other program or subprograms of the department of social and health services.

Sec. 202. 2021 c 334 s 202 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM

(1) INSTITUTIONAL SERVICES

General Fund—State Appropriation	(FY 2022)	
		(((\$435,890,000))
		<u>\$395,156,000</u>
General Fund—State Appropriation	(FY 2023)	
		(((\$436,264,000))
		<u>\$477,498,000</u>
General Fund—Federal Appropriation		(((\$142,531,000))
		<u>\$183,198,000</u>
General Fund—Private/Local Appropriation		(((\$21,540,000))
		<u>\$15,528,000</u>
<u>Coronavirus State Fiscal Recovery Fund—Federal Appropriation</u>		<u>\$5,961,000</u>
TOTAL APPROPRIATION		(((\$1,036,225,000))
		<u>\$1,077,341,000</u>

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

(a) The state psychiatric hospitals may use funds appropriated in this subsection to purchase goods, services, and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$311,000 of the general fund—state appropriation for fiscal year 2022 and \$310,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (1)(b) are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood. The department must collect data from the city of Lakewood on the use of the funds and the number of calls responded to by the community policing program and submit a report with this information to the office of financial management and the appropriate fiscal committees of the legislature each December of the fiscal biennium.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2022 and \$45,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) \$19,000 of the general fund—state appropriation for fiscal year 2022 and \$19,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for payment to the city of

Medical Lake for police services provided by the city at eastern state hospital and adjacent areas.

(e) \$135,000 of the general fund—state appropriation for fiscal year 2022 and \$135,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to maintain an on-site safety compliance officer, stationed at Western State Hospital, to provide oversight and accountability of the hospital's response to safety concerns regarding the hospital's work environment.

(f) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to track compliance with RCW 71.05.365 requirements for transition of state hospital patients into community settings within fourteen days of the determination that they no longer require active psychiatric treatment at an inpatient level of care. The department must use these funds to track the following elements related to this requirement: (i) The date on which an individual is determined to no longer require active psychiatric treatment at an inpatient level of care; (ii) the date on which the behavioral health entities and other organizations responsible for resource management services for the person is notified of this determination; and (iii) the date on which either the individual is transitioned to the community or has been re-evaluated and determined to again require active psychiatric treatment at an inpatient level of care. The department must provide this information in regular intervals to behavioral health entities and other organizations responsible for resource management services. The department must summarize the information and provide a report to the office of financial management and the appropriate committees of the legislature on progress toward meeting the fourteen day standard by December 1, 2021, and December 1, 2022.

(g) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department, in collaboration with the health care authority, to develop and implement a predictive modeling tool which identifies clients who are at high risk of future involvement with the criminal justice system and for developing a model to estimate demand for civil and forensic state hospital bed needs pursuant to the following requirements.

(i) By the first day of each December during the biennium, the department, in coordination with the health care authority, must submit a report to the office of financial management and the appropriate committees of the legislature which summarizes how the predictive modeling tool has been implemented and includes the following: (A) The numbers of individuals identified by the tool as having a high risk of future criminal justice involvement; (B) the method and frequency for which the department is providing lists of high-risk clients to contracted managed care organizations and behavioral health administrative services organizations; (C) a summary of how the managed care organizations and behavioral health administrative services organizations are utilizing the data to improve the coordination of care for the identified individuals; and (D) a summary of the administrative data to identify whether implementation of the tool is resulting in increased access and service levels and lower recidivism rates for high-risk clients at the state and regional level.

(ii) The department must provide staff support for the forensic and long-term civil commitment bed forecast which must be conducted under the direction of the office of financial management. The forecast methodology, updates, and methodology changes must be conducted in coordination with staff from the department, the health care authority, the office of

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financial management, and the appropriate fiscal committees of the state legislature. The model shall incorporate factors for capacity in state hospitals as well as contracted facilities, which provide similar levels of care, referral patterns, wait lists, lengths of stay, and other factors identified as appropriate for estimating the number of beds needed to meet the demand for civil and forensic state hospital services. Factors should include identification of need for the services and analysis of the effect of community investments in behavioral health services and other types of beds that may reduce the need for long-term civil commitment needs. The forecast must be updated each February, June, and November during the biennium and the department must submit a report to the legislature and the appropriate committees of the legislature summarizing the updated forecast based on the caseload forecast council's schedule for entitlement program forecasts.

(h) \$5,049,000 of the general fund—state appropriation for fiscal year 2022 and \$5,075,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the phase-in of the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. The department, in collaboration with the health care authority and the criminal justice training commission, must implement the provisions of the settlement agreement pursuant to the timeline and implementation plan provided for under the settlement agreement. This includes implementing provisions related to competency evaluations, competency restoration, forensic navigators, crisis diversion and supports, education and training, and workforce development.

(i) \$7,147,000 of the general fund—state appropriation for fiscal year 2022 and \$7,147,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to maintain implementation of efforts to improve the timeliness of competency evaluation services for individuals who are in local jails pursuant to chapter 5, Laws of 2015 (timeliness of competency treatment and evaluation services). This funding must be used solely to maintain increases in the number of competency evaluators that began in fiscal year 2016 pursuant to the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP.

(j) \$71,690,000 of the general fund—state appropriation for fiscal year 2022, \$77,825,000 of the general fund—state appropriation for fiscal year 2023, and \$2,541,000 of the general fund—federal appropriation are provided solely for implementation of efforts to improve the timeliness of competency restoration services pursuant to chapter 5, Laws of 2015 (timeliness of competency treatment and evaluation services) and the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. These amounts must be used to maintain increases that were implemented between fiscal year 2016 and fiscal year 2021, and further increase the number of forensic beds at western state hospital during the 2021-2023 fiscal biennium. Pursuant to chapter 7, Laws of 2015 1st sp. sess. (timeliness of competency treatment and evaluation services), the department may contract some of these amounts for services at alternative locations if the secretary determines that there is a need.

(k) \$76,029,000 of the general fund—state appropriation for fiscal year 2022 and ((\$59,784,000)) \$65,875,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to continue to implement an acuity based

staffing tool at western state hospital and eastern state hospital in collaboration with the hospital staffing committees. The staffing tool must be used to identify, on a daily basis, the clinical acuity on each patient ward and determine the minimum level of direct care staff by profession to be deployed to meet the needs of the patients on each ward. The department must evaluate interrater reliability of the tool within each hospital and between the two hospitals. The department must also continue to update, in collaboration with the office of financial management's labor relations office, the staffing committees, and state labor unions, an overall state hospital staffing plan that looks at all positions and functions of the facilities.

(i) Within the amounts provided in this section, the department must establish, monitor, track, and report monthly staffing and expenditures at the state hospitals, including overtime and use of locums, to the functional categories identified in the recommended staffing plan. The allotments and tracking of staffing and expenditures must include all areas of the state hospitals, must be done at the ward level, and must include contracted facilities providing forensic restoration services as well as the office of forensic mental health services.

(ii) By December 1, 2021, and December 1, 2022, the department must submit reports to the office of financial management and the appropriate committees of the legislature that provide a comparison of monthly spending, staffing levels, overtime, and use of locums for the prior year compared to allotments and to the recommended state hospital staffing model. The format for these reports must be developed in consultation with staff from the office of financial management and the appropriate committees of the legislature. The reports must include a summary of the results of the evaluation of the interrater reliability in use of the staffing acuity tool and an update from the hospital staffing committees.

(iii) Monthly staffing levels and related expenditures at the state hospitals must not exceed official allotments without prior written approval from the director of the office of financial management. In the event the director of the office of financial management approves an increase in monthly staffing levels and expenditures beyond what is budgeted, notice must be provided to the appropriate committees of the legislature within 30 days of such approval. The notice must identify the reason for the authorization to exceed budgeted staffing levels and the time frame for the authorization. Extensions of authorizations under this subsection must also be submitted to the director of the office of financial management for written approval in advance of the expiration of an authorization. The office of financial management must notify the appropriate committees of the legislature of any extensions of authorizations granted under this subsection within 30 days of granting such authorizations and identify the reason and time frame for the extension.

(l) ((\$10,581,000)) \$4,681,000 of the general fund—state appropriation for fiscal year 2022 and \$10,581,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement strategies to improve patient and staff safety at eastern and western state hospitals. These amounts must be used for continuing to implement a new intensive care model program at western state hospital and maintaining prior investments in training and other safety-related staff support at both hospitals. A report must be submitted by December 1, 2021, and December 1, 2022, which includes a description of the ((intensive care model being implemented)) violence reduction or safety strategy, a profile of the types of patients being served ((at the program)), the staffing model being used ((for the program)), and outcomes associated with ((the program)) each strategy. The outcomes section should include tracking data on facility-wide

metrics related to patient and staff safety as well as individual outcomes related to the patients served ((on the unit)).

(m) \$2,593,000 of the general fund—state appropriation for fiscal year 2022 and \$2,593,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to increase services to patients found not guilty by reason of insanity under the *Ross v. ((Laswhay)) Lashway* settlement agreement.

(n) Within the amounts provided in this subsection, the department must develop and submit an annual state hospital performance report for eastern and western state hospitals. Each measure included in the performance report must include baseline performance data, agency performance targets, and performance for the most recent fiscal year. The performance report must include a one page dashboard as well as charts for each fiscal and quality of care measure broken out by hospital and including but not limited to (i) monthly FTE expenditures compared to allotments; (ii) monthly dollar expenditures compared to allotments; (iii) monthly FTE expenditures per thousand patient bed days; (iv) monthly dollar expenditures per thousand patient bed days; (v) percentage of FTE expenditures for overtime; (vi) average length of stay by category of patient; (vii) average monthly civil wait list; (viii) average monthly forensic wait list; (ix) rate of staff assaults per thousand patient bed days; (x) rate of patient assaults per thousand patient bed days; (xi) average number of days to release after a patient has been determined to be clinically ready for discharge; and (xii) average monthly vacancy rates for key clinical positions. The department must submit the state hospital performance report to the office of financial management and the appropriate committees of the legislature by the first day of each December of the biennium.

(o) ((\$3,846,000)) \$3,773,000 of the general fund—state appropriation for fiscal year 2022, ((\$3,846,000)) \$4,099,000 of the general fund—state appropriation for fiscal year 2023, and ((\$7,692,000)) \$4,772,000 of the general fund—federal appropriation are provided solely to open a new unit at the child study treatment center which shall serve up to 18 children.

(p) ((\$2,941,000)) \$159,000 of the general fund—state appropriation for fiscal year 2023 ((and \$2,941,000 of the general fund—federal appropriation are)) is provided solely for the department to ((operate)) prepare for opening a 16 bed facility located in Clark county to provide long-term inpatient care beds as defined in RCW 71.24.025. The department must use this facility to provide treatment services for individuals who have been committed to a state hospital pursuant to the dismissal of criminal charges and a civil evaluation ordered under RCW 10.77.086 or 10.77.088. The department must develop and implement a protocol to assess the risk of patients being considered for placement in this facility and determine whether the level of security and treatment services is appropriate to meet the patient's needs. The department must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2022, providing a description of the protocol and a status update on progress toward opening the new facility.

(q) \$1,382,000 of the general fund—state appropriation for fiscal year 2022, \$5,092,000 of the general fund—state appropriation for fiscal year 2023, and \$5,092,000 of the general fund—federal appropriation is provided solely for the department to operate a 16 bed facility on the Maple Lane campus to provide long-term inpatient care beds as defined in RCW 71.24.025. The facility must have the capacity to provide treatment services to individuals committed under chapter 71.05 RCW including individuals who have been committed to a state hospital pursuant to the dismissal of criminal charges and a civil evaluation ordered under RCW 10.77.086 or 10.77.088. The department must

develop and implement a protocol to assess the risk of patients being considered for placement in this facility and determine whether the level of security and treatment services is appropriate to meet the patient's needs. The department must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2021, providing a description of the protocol and a status update on progress toward opening the new facility.

(r) \$4,316,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to operate the Columbia cottage at Maple Lane as a 30 bed facility to serve individuals who have been acquitted of a crime by reason of insanity and subsequently ordered to receive treatment services under RCW 10.77.120. The department must develop and implement a protocol to assess the risk of patients being considered for placement in this facility and determine whether the level of security and treatment services is appropriate to meet the patient's needs. The department must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2022, providing a description of the protocol and a status update on progress toward the opening of Columbia cottage.

(s) Within the amounts provided in this section, the department is provided funding to operate civil long-term inpatient beds at the state hospitals as follows:

(i) Funding is sufficient for the department to operate 192 civil beds at eastern state hospital in both fiscal year 2022 and fiscal year 2023.

(ii) Funding for civil beds at western state hospital is reduced during this period to allow for a phased reduction of six wards from 467 to 287 civil beds.

(iii) The closure of western state hospital civil wards shall be implemented according to the following schedule: (A) First ward closure by July 1, 2021; (B) second ward closure by November 1, 2021; (C) third ward closure by March 1, 2022; (D) fourth ward closure by July 1, 2022; (E) fifth ward closure by November 1, 2022; and (F) sixth ward closure by April 1, 2023.

(iv) The department shall fully operate funded civil capacity at eastern state hospital, including reopening and operating civil beds that are not needed for eastern Washington residents to provide services for western Washington residents.

(v) The department shall coordinate with the health care authority toward development of the plan for increasing community capacity for long-term inpatient services required under section 215(67) of this act.

(vi) It is the intent of the legislature to close additional civil wards at western state hospital during the 2023-2025 fiscal biennium.

(vii) It is the intent of the legislature to stop using western state hospital buildings 17, 19, 20, and 21, which were built before the 1950s, for patient care by fiscal year 2027.

(t) \$360,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to implement Engrossed Second Substitute House Bill No. 1086 (behavioral health consumers). The amount in this subsection is provided solely for the department's costs associated with providing access to and following up on referrals from behavioral health consumer advocates in state operated mental health facilities. The department must track the number of monthly cases in which access to behavioral health consumer advocates was provided for patients in state operated mental health facilities and the number of these which resulted in subsequent follow-up investigation by the department. The department must submit a preliminary report to the office of financial management and the appropriate committees of the legislature on the number of monthly cases and follow-up investigations by December 1, 2022, and a final report

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by June 30, 2023. ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(u) \$1,190,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute Senate Bill No. 5664 (forensic competency programs). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(v) \$36,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1890 (children behavioral health). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(w) \$455,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for western state hospital's vocational rehabilitation program and eastern state hospital's work readiness program to pay patients working in the programs an hourly wage that is equivalent to the state's minimum hourly wage under RCW 49.46.020.

(x) \$487,000 of the general fund—state appropriation for fiscal year 2022 and \$601,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for design and planning activities for the new forensic hospital being constructed on the grounds of western state hospital.

(y) \$88,000 of the general fund—state appropriation for fiscal year 2022 and \$2,920,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for relocation, storage, and other costs associated with building demolition on the western state hospital campus.

(z) \$34,289,000 of the general fund—federal appropriation (CRF) is provided solely for COVID-19 related payroll and benefit expenditures that were incurred between July 1, 2021, and December 31, 2021, for public safety and health employees whose services are presumed to be substantially dedicated to responding to the COVID-19 public health emergency. This funding expires December 31, 2021.

(2) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2022)	(((\$5,936,000))
	<u>\$5,885,000</u>
General Fund—State Appropriation (FY 2023)	(((\$5,929,000))
	<u>\$6,079,000</u>
General Fund—Federal Appropriation	(((\$366,000))
	<u>\$409,000</u>
TOTAL APPROPRIATION	(((\$12,231,000))
	<u>\$12,373,000</u>

Sec. 203. 2021 c 334 s 203 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2022)	(((\$747,646,000))
	<u>\$704,242,000</u>
General Fund—State Appropriation (FY 2023)	(((\$948,278,000))
	<u>\$1,113,004,000</u>
General Fund—Federal Appropriation	(((\$2,086,801,000))
	<u>\$2,303,783,000</u>
General Fund—Private/Local Appropriation	\$4,058,000
Developmental Disabilities Community Services Account—State Appropriation	\$52,000,000
TOTAL APPROPRIATION	(((\$3,838,783,000))
	<u>\$4,177,087,000</u>

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

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments may not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(i) The current annual renewal license fee for adult family homes is \$225 per bed beginning in fiscal year 2022 and \$225 per bed beginning in fiscal year 2023. A processing fee of \$2,750 must be charged to each adult family home when the home is initially licensed. This fee is nonrefundable. A processing fee of \$700 must be charged when adult family home providers file a change of ownership application.

(ii) The current annual renewal license fee for assisted living facilities is \$116 per bed beginning in fiscal year 2022 and \$116 per bed beginning in fiscal year 2023.

(iii) The current annual renewal license fee for nursing facilities is \$359 per bed beginning in fiscal year 2022 and \$359 per bed beginning in fiscal year 2023.

(c)(i) \$2,648,000 of the general fund—state appropriation for fiscal year 2022, \$8,946,000 of the general fund—state appropriation for fiscal year 2023, and \$16,665,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2021-2023 fiscal biennium, as provided in section 946 of this act.

(ii) \$8,764,000 of the general fund—state appropriation for fiscal year 2023 and \$11,156,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for fiscal year 2023, as provided in section 939 of this act.

(d)(i) \$291,000 of the general fund—state appropriation for fiscal year 2022, \$992,000 of the general fund—state appropriation for fiscal year 2023, and \$1,844,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(ii) \$953,000 of the general fund—state appropriation for fiscal year 2023 and \$1,214,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(e)(i) \$540,000 of the general fund—state appropriation for fiscal year 2022, \$860,000 of the general fund—state appropriation for fiscal year 2023, and \$1,881,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium, as provided in section 948 of this act.

(ii) \$1,389,000 of the general fund—state appropriation for fiscal year 2023 and \$1,278,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for

fiscal year 2023, as provided in section 941 of this act.

(f) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant. In these situations the department is also granted the authority to waive the required residential administrator training for a period of 120 days if necessary to ensure continuity of care during the relicensing process.

(g) Community residential cost reports that are submitted by or on behalf of contracted agency providers are required to include information about agency staffing including health insurance, wages, number of positions, and turnover.

(h) Sufficient appropriations are provided to continue community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

(i) Community alternative placement beds include enhanced service facility beds, adult family home beds, skilled nursing facility beds, shared supportive housing beds, state operated living alternative beds, and assisted living facility beds.

(ii) Each client must receive an individualized assessment prior to leaving one of the state psychiatric hospitals. The individualized assessment must identify and authorize personal care, nursing care, behavioral health stabilization, physical therapy, or other necessary services to meet the unique needs of each client. It is the expectation that, in most cases, staffing ratios in all community alternative placement options described in (h)(i) of this subsection will need to increase to meet the needs of clients leaving the state psychiatric hospitals. If specialized training is necessary to meet the needs of a client before he or she enters a community placement, then the person centered service plan must also identify and authorize this training.

(iii) When reviewing placement options, the department must consider the safety of other residents, as well as the safety of staff, in a facility. An initial evaluation of each placement, including any documented safety concerns, must occur within thirty days of a client leaving one of the state psychiatric hospitals and entering one of the community placement options described in (h)(i) of this subsection. At a minimum, the department must perform two additional evaluations of each placement during the first year that a client has lived in the facility.

(iv) In developing bed capacity, the department shall consider the complex needs of individuals waiting for discharge from the state psychiatric hospitals.

(i) Sufficient appropriations are provided for discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(j) \$4,000 of the general fund—state appropriation for fiscal year 2022, ((\$17,000)) \$37,000 of the general fund—state appropriation for fiscal year 2023, and ((\$23,000)) \$42,000 of the general fund—federal appropriation are provided solely for a cost of living adjustment to the personal needs allowance pursuant to RCW 74.09.340.

(k) The department will work with the health care authority and Washington state's managed care organizations to establish recommendations for clients who live in the community to access the developmental disabilities administration's facility-based professionals to receive care covered under the state plan. If

feasible, these recommendations should detail how to enable facility-based professionals to deliver services at mobile or brick-and-mortar clinical settings in the community. The department must submit its recommendations to the appropriate legislative committees no later than December 1, ((2021)) 2022.

(l) The department of social and health services must claim the enhanced federal medical assistance participation rate for home and community-based services offered under section 9817 of the American rescue plan act of 2021 (ARPA). Appropriations made that constitute supplementation of home and community-based services as defined in section 9817 of ARPA are listed in LEAP omnibus document HCBS-2021.

(m) \$300,000 of the general fund—state appropriation for fiscal year 2023 and \$226,000 of the general fund—federal appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 1086 (behavioral health consumers). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(n) \$408,000 of the general fund—state appropriation for fiscal year 2022, \$416,000 of the general fund—state appropriation for fiscal year 2023, and \$474,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1061 (child welfare/developmental disability). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(o) \$3,474,000 of the general fund—state appropriation for fiscal year 2022, ((\$11,423,000)) \$88,692,000 of the general fund—state appropriation for fiscal year 2023, and ((\$15,262,000)) \$92,530,000 of the general fund—federal appropriation are provided solely to increase rates for community residential service providers offering supported living, group home, group training home, and licensed staff residential services to individuals with developmental disabilities. ((The)) Of the amounts provided in this subsection (o) ((include funding to)):

(i) \$3,474,000 of the general fund—state appropriation for fiscal year 2022, \$11,423,000 of the general fund—state appropriation for fiscal year 2023, and \$15,262,000 of the general fund—federal appropriation are provided solely to increase the provider rate by 2.0 percent effective January 1, 2022, and by an additional 2.0 percent effective January 1, 2023. Both 2.0 percent rate increases must be used to support providers' ability to maintain direct care staff wages above the statewide minimum wage.

(ii) \$77,269,000 of the general fund—state appropriation for fiscal year 2023 and \$77,268,000 of the general fund—federal appropriation are provided solely to increase the provider rate effective July 1, 2022. It is the intent of the legislature that contracted providers use the funding provided in this subsection (1)(o)(ii) to provide hourly wage increases for direct care workers.

(p) The annual certification renewal fee for community residential service businesses is \$859 per client in fiscal year 2022 and \$859 per client in fiscal year 2023. The annual certification renewal fee may not exceed the department's annual licensing and oversight activity costs.

(q) The appropriations in this section include sufficient funding to implement chapter 220, Laws of 2020 (adult family homes/8 beds). A nonrefundable fee of \$485 shall be charged for each application to increase bed capacity at an adult family home to seven or eight beds.

(r) \$39,000 of the general fund—state appropriation for fiscal year 2022, \$49,000 of the general fund—state appropriation for fiscal year 2023, and \$131,000 of the general fund—federal appropriation are provided solely to increase the administrative rate for home care agencies by five cents per hour effective July 1, 2021.

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(s) \$1,705,000 of the general fund—state appropriation for fiscal year 2022, \$1,688,000 of the general fund—state appropriation for fiscal year 2023, and \$1,465,000 of the general fund—federal appropriation are provided solely for the development and implementation of 13 enhanced respite beds across the state for children. These services are intended to provide families and caregivers with a break in caregiving, the opportunity for behavioral stabilization of the child, and the ability to partner with the state in the development of an individualized service plan that allows the child to remain in his or her family home. The department must provide the legislature with a respite utilization report in January of each year that provides information about the number of children who have used enhanced respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(t) \$2,025,000 of the general fund—state appropriation for fiscal year 2022 and \$2,006,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the development and implementation of 13 community respite beds across the state for adults. These services are intended to provide families and caregivers with a break in caregiving and the opportunity for stabilization of the individual in a community-based setting as an alternative to using a residential habilitation center to provide planned or emergent respite. The department must provide the legislature with a respite utilization report by January of each year that provides information about the number of individuals who have used community respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(u) (((\$18,733,000)) \$43,535,000 of the general fund—state appropriation for fiscal year 2022, \$47,243,000 of the general fund—state appropriation for fiscal year 2023, and (((\$46,342,000)) \$152,070,000 of the general fund—federal appropriation are provided solely ((to continue providing)) for rate add-ons for contracted service providers to address the increased costs associated with serving clients during the COVID-19 pandemic ((through the end of calendar year 2021)). Beginning July 1, 2022, the rate add-ons shall be reduced by 20 percent every two fiscal quarters.

(v) \$78,000 of the general fund—state appropriation for fiscal year 2022, \$75,000 of the general fund—state appropriation for fiscal year 2023, and \$113,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5284 (subminimum wage/disabilities). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(w) Funding in this section is sufficient to implement chapter 352, laws of 2020 (developmental disabilities budgeting), including a review of the no-paid services caseload and to update the information to accurately reflect a current headcount of eligible persons and the number of persons contacted who are currently interested in receiving a paid service. It is the intent of the legislature that the department will, as required in chapter 252, laws of 2020 (developmental disabilities budgeting), submit a report of this information to the governor and the appropriate committees of the legislature by December 1, 2021. It is also the intent of the legislature that the necessary paid services identified with completion of this report will be adequately funded by the conclusion of fiscal year 2024.

(x) \$1,387,000 of the general fund—state appropriation for fiscal year 2022, \$2,641,000 of the general fund—state appropriation for fiscal year 2023, and \$4,250,000 of the general fund—federal appropriation are provided solely to increase the capacity of the children's intensive in-home behavioral supports waiver by 100 slots.

(y) \$19,648,000 of the general fund—state appropriation for fiscal year 2023 and \$25,006,000 of the general fund—federal appropriation are provided solely for the purposes of settling all claims in the two related cases *Liang et al v. Washington DSHS et al.* Thurston county superior court case no. 20-2-02506-34 and *SEIU 775 v. Washington DSHS et al.* Thurston county superior court case no. 18-2-05584-34, Washington supreme court case no. 99658-8. The expenditure of these amounts is contingent upon the release of all claims in both cited cases, and total settlement costs shall not exceed the amounts provided in this subsection and section 204(45) of this act. If the settlement agreement is not fully executed and approved by the Thurston county superior court by June 30, 2023, the amounts provided in this subsection shall lapse.

(z) \$205,000 of the general fund—state appropriation for fiscal year 2022, \$232,000 of the general fund—state appropriation for fiscal year 2023, and \$590,000 of the general fund—federal appropriation are provided solely for the department of social and health services to examine the capabilities of the community residential settings and services; to improve cross-system coordination; and to begin the process of redesigning state-operated intermediate care facilities to function as short-term crisis stabilization and intervention. Of the amounts provided in this subsection (1)((y)) (z):

(i) \$159,000 of the general fund—state appropriation for fiscal year 2022, \$186,000 of the general fund—state appropriation for fiscal year 2023, and \$310,000 of the general fund—federal appropriation are provided solely for the department of social and health services to:

(A) Beginning with the governor's budget proposal submitted in December 2022, submit a budget request for expenditures associated with anticipated demand for services under the individual and family services waiver, the basic plus waiver, and the number of individuals who are expected to reside in state-operated living alternatives for consideration by the governor and the legislature for inclusion in maintenance level budgets;

(B) Examine the need for community respite beds to serve eligible individuals and stabilization, assessment, and intervention beds to provide crisis stabilization services for individuals with complex behavioral needs. A preliminary report must be submitted no later than October 1, 2022, with a final report submitted no later than October 1, 2023, to the governor and the appropriate committees of the legislature that estimates the number of beds needed in fiscal years 2023 through 2025, recommends geographic locations of these beds, provides options for contracting with community providers for these beds, provides options for utilizing existing intermediate care facilities to meet these needs, and recommends whether or not an increase to respite hours is needed;

(C) Contract with a private vendor for a study of medicaid rates for contracted community residential service providers. The study must be submitted to the governor and the appropriate committees of the legislature no later than December 1, 2023, and must include:

(I) A recommendation of rates needed for facilities to cover their costs and adequately recruit, train, and retain direct care professionals;

(II) Recommendations for an enhanced rate structure, including when and for whom this rate structure would be appropriate; and

(III) An assessment of options for an alternative, opt-in rate structure for contracted supported living providers who voluntarily serve individuals with complex behaviors, complete additional training, and submit to additional monitoring;

(D) Submit by October 1, 2022, a five-year plan to phase-in the appropriate level of funding and staffing to achieve case

management ratios of one case manager to no more than 35 clients. The five-year plan must include:

(I) An analysis of current procedures to hire and train new staff within the developmental disabilities administration of the department of social and health services;

(II) Identification of any necessary changes to these procedures to ensure a more efficient and timely process for hiring and training staff; and

(III) Identification of the number of new hires needed on an annual basis to achieve the phased implementation included in the five-year plan;

(E) Collaborate with appropriate stakeholders to develop uniform quality assurance metrics that are applied across community residential settings, intermediate care facilities, and state-operated nursing facilities and submit a report of these activities to the governor and the legislature no later than June 30, 2023;

(F) Collaborate with the developmental disabilities council to improve cross-system coordination and submit a report of the activities and any recommendations for policy or fiscal changes to the governor and the legislature no later than October 1, 2022, for consideration in the 2023 legislative session that describes collaborating with the developmental disabilities council to:

(I) Coordinate collaboration efforts among relevant stakeholders to develop and disseminate best practices related to serving individuals with cooccurring intellectual and developmental disabilities and mental health conditions;

(II) Work with Washington state's apprenticeship and training council, colleges, and universities to establish medical, dental, nursing, and direct care apprenticeship programs that would address gaps in provider training and overall competence;

(III) Devise options for consideration by the governor and the legislature to prioritize funding for housing for individuals with intellectual and developmental disabilities when a lack of affordable housing is the barrier preventing an individual from moving to a least restrictive community setting; and

(IV) Coordinate collaboration efforts among relevant stakeholders to examine existing law with regard to guardianship and protective proceedings and make any necessary recommendations for changes to existing law to ensure that guardianship or other protective proceedings are designed to provide individuals with intellectual and developmental disabilities with the decision making support they require to live as independently as possible in the least restrictive environment, including consideration of mechanisms that enable regular payment for services rendered by these legal representatives when appropriate; and

(G) Develop procedures that ensure that placement in an intermediate care facility is temporary and submit a report of these efforts, including any necessary recommendations for policy or fiscal changes, to the governor and the legislature for consideration in the 2022 legislative session no later than November 1, 2021, that describes the development of procedures that ensure that:

(I) Clear, written, and verbal information is provided to the individual and their family member that explains that placement in the intermediate care facility is temporary and what constitutes continuous aggressive active treatment and its eligibility implications;

(II) Discharge planning begins immediately upon placement of an individual within the intermediate care facility and that the individual and their family member is provided clear descriptions of all placement options and their requirements;

(III) When crisis stabilization services are available in the community, the individual is presented with the option to receive services in the community prior to placement in an intermediate

care facility; and

(IV) When the individual has not achieved crisis stabilization after 60 days of initial placement in the intermediate care facility, the department of social and health services must convene the individual's team of care providers including, but not limited to, the individual's case manager, the individual's community-based providers, and, if applicable, the individual's managed care organization to review and make any necessary changes to the individual's crisis stabilization care plan.

(ii) Reporting dates in this subsection (1)(z) are modified by Engrossed Substitute Senate Bill No. 5268 (dev. disability services).

(iii) \$46,000 of the general fund—state appropriation in fiscal year 2022, \$46,000 of the general fund—state appropriation in fiscal year 2023, and \$280,000 of the general fund—federal appropriation are provided solely to establish peer mentors to connect each client in an intermediate care facility with a mentor to assist in their transition planning. No later than November 1, 2021, the department of social and health services must submit a report describing these efforts and make any necessary recommendations for policy or fiscal changes to the governor and the legislature for consideration in the 2022 legislative session.

((z)) (aa) Appropriations provided in this section are sufficient to implement Substitute Senate Bill No. 5258 (consumer directed employers).

((aa)) (bb) \$63,000 of the general fund—state appropriation for fiscal year 2022, \$13,000 of the general fund—state appropriation for fiscal year 2023, and \$77,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1411 (health care workforce). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(cc) \$123,000 of the general fund—state appropriation for fiscal year 2023 and \$156,000 of the general fund—federal appropriation are provided solely to make up for a gap in the employer tax rates paid to agency providers. Funds must be used to ensure wages and benefits of home care agency workers who provide direct care are increased to satisfy wage parity requirements set forth in RCW 74.39A.310, except in situations where agency providers covered the gap in the tax rate by reducing agency administrative expenses.

(dd) \$80,000 of the general fund—state appropriation for fiscal year 2023 and \$61,000 of the general fund—federal appropriation are provided solely for the department to hire one full-time employee to provide advice, evaluations, and recommendations on technological tools to clients, providers, and case managers.

(ee)(i) \$2,172,000 of the general fund—state appropriation for fiscal year 2023 and \$1,666,000 of the general fund—federal appropriation are provided solely to establish transition coordination teams to coordinate transitions of care for clients who move from one care setting to another. No later than December 1, 2022, the department of social and health services shall submit a preliminary report to the appropriate committees of the legislature that details how the funds were utilized and the associated outcomes including but not limited to:

(A) A detailed reporting of the number of clients served, the settings in which clients received care, and the progress made toward increasing stability of client placements;

(B) A comparison of these outcomes against the outcomes achieved in prior fiscal years;

(C) A description of lessons learned since the transition coordination teams were first implemented, including an identification of what processes were improved to reduce the timelines for completion; and

(D) Recommendations for changes necessary to the transition coordination teams to improve increasing stability of client

placements.

(ii) It is the intent of the legislature that the department of social and health services submit annual reports of this information beginning in fiscal year 2024.

(ff) \$204,000 of the general fund—state appropriation for fiscal year 2022, \$1,511,000 of the general fund—state appropriation for fiscal year 2023, and \$988,000 of the general fund—federal appropriation are provided solely for service rate increases paid to contracted providers of community engagement, supported parenting, and respite services. No later than December 1, 2022, the department of social and health services shall submit a preliminary report to the appropriate committees of the legislature that details how the funds were utilized and the associated outcomes, including a detailed accounting of utilization of services and any changes in the utilization as a result of this funding. The department shall submit a final report of this information no later than June 30, 2023. The department shall also conduct a comprehensive study of the current rate structure paid to supported employment and community inclusion providers. No later than October 1, 2022, the department must submit to the governor and the appropriate committees of the legislature a report of this study that includes, but is not limited to, the following:

(i) An overview of the current system and how it operates, including an overview of the current rate structure;

(ii) A description of the organizational components and costs associated with the delivery of supported employment and community inclusion services that achieve client outcomes;

(iii) A recommendation of the rates needed for providers to cover their costs and maintain the infrastructure required to achieve and support client outcomes; and

(iv) A recommendation for a methodology to utilize in the future for regularly analyzing costs associated with service delivery and the rate adjustments, and associated frequency of these adjustments, needed to ensure that services achieve client outcomes.

(gg) \$1,413,000 of the general fund—state appropriation for fiscal year 2023 and \$1,084,000 of the general fund—federal appropriation are provided solely to hire additional staff to reduce the timeline for completion of financial eligibility determinations. No later than December 31, 2022, the department of social and health services shall submit a preliminary report to the appropriate committees of the legislature that details how the funds were utilized and the associated outcomes, including, but not limited to, a description of how the timeline for completion of these determinations has changed. A final report of this information must be submitted no later than June 30, 2023.

(hh) \$228,000 of the general fund—state appropriation for fiscal year 2023 and \$284,000 of the general fund—federal appropriation are provided solely to increase funding of the assisted living medicaid methodology established in RCW 74.39A.032 to 68 percent of full methodology funding, effective July 1, 2022.

(ii) \$1,719,000 of the general fund—state appropriation for fiscal year 2023 and \$49,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5268 (dev. disability services). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(jj) \$2,581,000 of the general fund—state appropriation for fiscal year 2023 and \$2,060,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5819 (DDA no-paid caseload). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(kk) \$54,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to implement Second Substitute House Bill No. 1890 (children behavioral health). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(ll) \$8,428,000 of the general fund—state appropriation for fiscal year 2023 and \$5,179,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1980 (concurrent services). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(mm) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with an organization that provides benefits planning training to attorneys and other professionals to help them assist individuals with developmental disabilities with retaining state and federal benefits while working.

(2) INSTITUTIONAL SERVICES

General Fund—State	Appropriation	(FY 2022)	
			((115,635,000))
			\$110,829,000
General Fund—State	Appropriation	(FY 2023)	
			((125,463,000))
			\$135,393,000
General Fund—Federal	Appropriation		((241,480,000))
			\$253,002,000
General Fund—Private/Local	Appropriation		\$27,043,000
TOTAL APPROPRIATION			((509,621,000))
			\$526,267,000

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

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments may not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) \$495,000 of the general fund—state appropriation for fiscal year 2022 and \$495,000 of the general fund—state appropriation for fiscal year 2023 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(c) The residential habilitation centers may use funds appropriated in this subsection to purchase goods, services, and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(d) \$3,000 of the general fund—state appropriation for fiscal year 2022 and ((\$10,000)) \$21,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a cost of living increase adjustment to the personal needs allowance pursuant to RCW 74.09.340.

(e) The department is directed to develop a plan to reduce the footprint of the Rainier residential habilitation center campus and other property facilities taking into consideration recommendations of the Ruckleshaus residential habilitation center work group report and the department's Rainier school master plan.

(i) The plan must include the following:

(A) Input from interested stakeholders to ensure a thoughtful, safe, and well-supported residential transition to the community;

(B) An outline for maintaining a state-operated safety net for individuals who transition to the community and who may later be in crisis or who need a greater level of care;

(C) Barriers to successful community transitions and how to mitigate those;

(D) A report of stakeholder feedback received and how it was incorporated or not into the plan; and

(E) A proposed timeline to implement the plan and a target date for reducing the footprint of Rainier if the plan is followed.

(ii) The stakeholders must include, at minimum: Individuals who reside or have resided at Rainier within the last two decades, families and guardians of individuals who reside or have resided at Rainier, the city of Buckley, and current or former staff at Rainier and their respective labor organizations.

(iii) The department must confer with and have approval from the governor's office prior to submission of the plan. A final plan shall be submitted to the governor and the appropriate committees of the legislature no later than June 30, 2023.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2022)	(\$2,639,000)
	<u>\$2,717,000</u>
General Fund—State Appropriation (FY 2023)	(\$2,688,000)
	<u>\$2,940,000</u>
General Fund—Federal Appropriation	(\$3,192,000)
	<u>\$3,233,000</u>
TOTAL APPROPRIATION	(\$8,519,000)
	<u>\$8,890,000</u>

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2022)	(\$61,000)
	<u>\$94,000</u>
General Fund—State Appropriation (FY 2023)	(\$61,000)
	<u>\$66,000</u>
General Fund—Federal Appropriation	(\$1,090,000)
	<u>\$1,125,000</u>
TOTAL APPROPRIATION	(\$1,212,000)
	<u>\$1,285,000</u>

Sec. 204. 2021 c 334 s 204 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM

General Fund—State Appropriation (FY 2022)	(\$1,422,098,000)
	<u>\$1,344,251,000</u>
General Fund—State Appropriation (FY 2023)	(\$1,783,367,000)
	<u>\$2,049,486,000</u>
General Fund—Federal Appropriation	(\$4,517,927,000)
	<u>\$4,913,077,000</u>
General Fund—Private/Local Appropriation	\$37,804,000
Traumatic Brain Injury Account—State Appropriation	(\$4,544,000)
	<u>\$5,586,000</u>
Skilled Nursing Facility Safety Net Trust Account—State Appropriation	\$133,360,000
Long-Term Services and Supports Trust Account—State Appropriation	(\$10,873,000)
	<u>\$15,003,000</u>
TOTAL APPROPRIATION	(\$7,909,973,000)
	<u>\$8,498,567,000</u>

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

(1)(a) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate may not exceed \$259.84 for fiscal year 2022 and may not exceed (\$279.84) \$319.82 for fiscal year 2023.

(b) The department shall provide a medicaid rate add-on to reimburse the medicaid share of the skilled nursing facility safety net assessment as a medicaid allowable cost. The nursing facility safety net rate add-on may not be included in the calculation of the annual statewide weighted average nursing facility payment

rate.

(2) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(a) The current annual renewal license fee for adult family homes is \$225 per bed beginning in fiscal year 2022 and \$225 per bed beginning in fiscal year 2023. A processing fee of \$2,750 must be charged to each adult family home when the home is initially licensed. This fee is nonrefundable. A processing fee of \$700 shall be charged when adult family home providers file a change of ownership application.

(b) The current annual renewal license fee for assisted living facilities is \$116 per bed beginning in fiscal year 2022 and \$116 per bed beginning in fiscal year 2023.

(c) The current annual renewal license fee for nursing facilities is \$359 per bed beginning in fiscal year 2022 and \$359 per bed beginning in fiscal year 2023.

(3) The department is authorized to place long-term care clients residing in nursing homes and paid for with state-only funds into less restrictive community care settings while continuing to meet the client's care needs.

(4)(i) \$6,113,000 of the general fund—state appropriation for fiscal year 2022, \$19,799,000 of the general fund—state appropriation for fiscal year 2023, and \$37,161,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2021-2023 fiscal biennium, as provided in section 946 of this act.

(ii) \$18,787,000 of the general fund—state appropriation for fiscal year 2023 and \$23,910,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for fiscal year 2023, as provided in section 939 of this act.

(5)(i) \$1,941,000 of the general fund—state appropriation for fiscal year 2022, \$6,439,000 of the general fund—state appropriation for fiscal year 2023, and \$12,064,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(ii) \$6,028,000 of the general fund—state appropriation for fiscal year 2023 and \$7,669,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(6) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant. In these situations the department is also granted the authority to waive the required residential administrator training for a period of 120 days if necessary to ensure continuity of care during the relicensing process.

(7) In accordance with RCW 18.390.030, the biennial registration fee for continuing care retirement communities shall

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be \$900 for each facility.

(8) Within amounts appropriated in this subsection, the department shall assist the legislature to continue the work of the joint legislative executive committee on planning for aging and disability issues.

(a) A joint legislative executive committee on aging and disability is continued, with members as provided in this subsection.

(i) Four members of the senate, with the leaders of the two largest caucuses each appointing two members, and four members of the house of representatives, with the leaders of the two largest caucuses each appointing two members;

(ii) A member from the office of the governor, appointed by the governor;

(iii) The secretary of the department of social and health services or his or her designee;

(iv) The director of the health care authority or his or her designee;

(v) A member from disability rights Washington and a member from the office of long-term care ombuds;

(vi) The insurance commissioner or his or her designee, who shall serve as an ex officio member; and

(vii) Other agency directors or designees as necessary.

(b) The committee must make recommendations and continue to identify key strategic actions to prepare for the aging of the population in Washington and to serve people with disabilities, including state budget and policy options, and may conduct, but are not limited to, the following tasks:

(i) Identify strategies to better serve the health care needs of an aging population and people with disabilities to promote healthy living and palliative care planning;

(ii) Identify strategies and policy options to create financing mechanisms for long-term service and supports that allow individuals and families to meet their needs for service;

(iii) Identify policies to promote financial security in retirement, support people who wish to stay in the workplace longer, and expand the availability of workplace retirement savings plans;

(iv) Identify ways to promote advance planning and advance care directives and implementation strategies for the Bree collaborative palliative care and related guidelines;

(v) Identify ways to meet the needs of the aging demographic impacted by reduced federal support;

(vi) Identify ways to protect the rights of vulnerable adults through assisted decision-making and guardianship and other relevant vulnerable adult protections;

(vii) Identify options for promoting client safety through residential care services and consider methods of protecting older people and people with disabilities from physical abuse and financial exploitation; and

(viii) Identify other policy options and recommendations to help communities adapt to the aging demographic in planning for housing, land use, and transportation.

(c) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(d) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint committee expenditures and meetings are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees. Meetings of the task force must be scheduled and conducted in accordance with the rules of both the senate and the house of representatives. The

joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(9) Appropriations in this section are sufficient to fund discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(10) Appropriations in this section are sufficient to fund financial service specialists stationed at the state psychiatric hospitals. Financial service specialists will help to transition clients ready for hospital discharge into alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state hospitals.

(11) The department shall continue to administer ((initiative 2 of the medicaid transformation waiver that provides)) tailored support for older adults and medicaid alternative care as described in initiative 2 of the ((medicaid transformation)) 1115 demonstration waiver ((under healthier Washington)). This initiative will be funded by the health care authority ((with)) through the medicaid quality improvement program. The secretary in collaboration with the director of the health care authority shall report to the office of financial management all ((of the)) expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested. The department shall not increase general fund—state expenditures on this initiative.

(12)(i) \$3,378,000 of the general fund—state appropriation for fiscal year 2022, \$5,561,000 of the general fund—state appropriation for fiscal year 2023, and \$11,980,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium, as provided in section 948 of this act.

(ii) \$8,922,000 of the general fund—state appropriation for fiscal year 2023 and \$8,212,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for fiscal year 2023, as provided in section 941 of this act.

(13) \$1,761,000 of the general fund—state appropriation for fiscal year 2022, \$1,761,000 of the general fund—state appropriation for fiscal year 2023, and \$4,162,000 of the general fund—federal appropriation are provided solely for case managers at the area agencies on aging to coordinate care for medicaid clients with mental illness who are living in their own homes. Work shall be accomplished within existing standards for case management and no requirements will be added or modified unless by mutual agreement between the department of social and health services and area agencies on aging.

(14) Appropriations provided in this section are sufficient for the department to contract with an organization to provide educational materials, legal services, and attorney training to support persons with dementia. The funding provided in this subsection must be used for:

(a) An advance care and legal planning toolkit for persons and families living with dementia, designed and made available online and in print. The toolkit should include educational topics including, but not limited to:

(i) The importance of early advance care, legal, and financial planning;

(ii) The purpose and application of various advance care, legal, and financial documents;

(iii) Dementia and capacity;

(iv) Long-term care financing considerations;

(v) Elder and vulnerable adult abuse and exploitation;

(vi) Checklists such as "legal tips for caregivers," "meeting with an attorney," and "life and death planning;"

(vii) Standardized forms such as general durable power of attorney forms and advance health care directives; and

(viii) A selected list of additional resources.

(b) Webinars about the dementia legal and advance care planning toolkit and related issues and topics with subject area experts. The subject area expert presenters must provide their services in-kind, on a volunteer basis.

(c) Continuing legal education programs for attorneys to advise and assist persons with dementia. The continuing education programs must be offered at no cost to attorneys who make a commitment to participate in the pro bono program.

(d) Administrative support costs to develop intake forms and protocols, perform client intake, match participating attorneys with eligible clients statewide, maintain records and data, and produce reports as needed.

(15) Appropriations provided in this section are sufficient to continue community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

(a) Community alternative placement beds include enhanced service facility beds, adult family home beds, skilled nursing facility beds, shared supportive housing beds, state operated living alternative beds, assisted living facility beds, adult residential care beds, and specialized dementia beds.

(b) Each client must receive an individualized assessment prior to leaving one of the state psychiatric hospitals. The individualized assessment must identify and authorize personal care, nursing care, behavioral health stabilization, physical therapy, or other necessary services to meet the unique needs of each client. It is the expectation that, in most cases, staffing ratios in all community alternative placement options described in (a) of this subsection will need to increase to meet the needs of clients leaving the state psychiatric hospitals. If specialized training is necessary to meet the needs of a client before he or she enters a community placement, then the person centered service plan must also identify and authorize this training.

(c) When reviewing placement options, the department must consider the safety of other residents, as well as the safety of staff, in a facility. An initial evaluation of each placement, including any documented safety concerns, must occur within thirty days of a client leaving one of the state psychiatric hospitals and entering one of the community placement options described in (a) of this subsection. At a minimum, the department must perform two additional evaluations of each placement during the first year that a client has lived in the facility.

(d) In developing bed capacity, the department shall consider the complex needs of individuals waiting for discharge from the state psychiatric hospitals.

(16) No later than December 31, 2021, the department of social and health services and the health care authority shall submit a waiver request to the federal department of health and human services to authorize presumptive medicaid eligibility determinations for clients preparing for acute care hospital discharge who may need long-term services and supports. The department and the authority shall hold stakeholder discussions, including opportunities for public review and comment, during development of the waiver request. Upon submission of the waiver request, the department and the authority shall submit a

report to the governor and the appropriate legislative committees that describes the request and identifies any statutory changes that may be necessary if the federal government approves the request.

(17) The annual certification renewal fee for community residential service businesses is \$859 per client in fiscal year 2022 and \$859 per client in fiscal year 2023. The annual certification renewal fee may not exceed the department's annual licensing and oversight activity costs.

(18) The appropriations in this section include sufficient funding to implement chapter 220, Laws of 2020 (adult family homes/8 beds). A nonrefundable fee of \$485 shall be charged for each application to increase bed capacity at an adult family home to seven or eight beds.

(19) \$261,000 of the general fund—state appropriation for fiscal year 2022, \$320,000 of the general fund—state appropriation for fiscal year 2023, and \$861,000 of the general fund—federal appropriation are provided solely to increase the administrative rate for home care agencies by five cents per hour effective July 1, 2021.

(20) The department of social and health services must claim the enhanced federal medical assistance participation rate for home and community-based services offered under section 9817 of the American rescue plan act of 2021 (ARPA). Appropriations made that constitute supplementation of home and community-based services as defined in section 9817 of ARPA are listed in LEAP omnibus document HCBS-2021.

(21) \$1,458,000 of the general fund—state appropriation for fiscal year 2022 and \$1,646,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to provide personal care services for up to 20 clients who are not United States citizens and who are ineligible for medicaid upon their discharge from an acute care hospital. The department must prioritize the funding provided in this subsection for such clients in acute care hospitals who are also on the department's wait list for services.

(22) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for community-based dementia education and support activities in two areas of the state, including dementia resource catalyst staff and direct services for people with dementia and their caregivers.

(23) \$237,000 of the general fund—state appropriation for fiscal year 2022, \$226,000 of the general fund—state appropriation for fiscal year 2023, and \$572,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1218 (long-term care residents). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(24) ((\$345,000 of the general fund—state appropriation for fiscal year 2022, \$50,000 of the general fund—state appropriation for fiscal year 2023, and \$336,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1127 (COVID-19 health data privacy). If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(25))) \$4,329,000 of the general fund—state appropriation for fiscal year 2022 and \$4,329,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

((26) \$41,117,000) (25) \$85,981,000 of the general fund—state appropriation for fiscal year 2022, \$85,463,000 of the general fund—state appropriation for fiscal year 2023, and ((\$101,715,000)) \$292,979,000 of the general fund—federal appropriation are provided solely ((to continue providing)) for rate add-ons for contracted service providers to address the

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increased costs associated with serving clients during the COVID-19 pandemic ((through the end of calendar year 2021)). Beginning July 1, 2022, the rate add-ons shall be reduced by 20 percent every two fiscal quarters.

((27)) (26) \$11,609,000 of the general fund—state appropriation for fiscal year 2023 and \$11,609,000 of the general fund—federal appropriation are provided solely to increase the fixed rate paid for skilled nursing facility medicaid direct care to one hundred and five percent of statewide case mix neutral median costs.

((28)) (27) Within the amounts provided in this section, the department of social and health services must develop a statewide agency emergency preparedness plan with which to respond to future public health emergencies.

((29)) (28) The traumatic brain injury council shall collaborate with other state agencies in their efforts to address traumatic brain injuries to ensure that efforts are complimentary and continue to support the state's broader efforts to address this issue.

((30)) (29) \$1,858,000 of the general fund—state appropriation for fiscal year 2022 and \$1,857,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for operation of the volunteer services program. Funding must be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

((31)) (30) \$479,000 of the general fund—state appropriation for fiscal year 2022 and \$479,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the kinship navigator program in the Colville Indian reservation, Yakama Nation, and other tribal areas.

((32)) (31) Within available funds, the aging and long term support administration must maintain a unit within adult protective services that specializes in the investigation of financial abuse allegations and self-neglect allegations.

((33)) (32) \$1,344,000 of the general fund—state appropriation for fiscal year 2022 and \$1,344,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the kinship care support program.

((34) \$10,797,000) (33) \$7,938,000 of the general fund—state appropriation for fiscal year 2022, (((\$11,477,000)) \$13,412,000 of the general fund—state appropriation for fiscal year 2023, and (((\$23,946,000)) \$22,456,000 of the general fund—federal appropriation are provided solely for nursing home services and emergent building costs at the transitional care center of Seattle. No later than December 1, 2022, the department must submit to the appropriate fiscal committees of the legislature a report that includes, but is not limited to:

(a) An itemization of the costs associated with providing direct care services to residents and managing and caring for the facility; and

(b) An examination of the impacts of this facility on clients and providers of the long-term care and medical care sectors of the state that includes, but is not limited to:

(i) An analysis of areas that have realized cost containment or savings as a result of this facility;

(ii) A comparison of individuals transitioned from hospitals to this facility compared to other skilled nursing facilities over the same period of time; and

(iii) Impacts of this facility on lengths of stay in acute care hospitals, other skilled nursing facility, and transitions to home and community-based settings.

((35)) (34) \$58,000 of the general fund—state appropriation for fiscal year 2022 and \$90,000 of the general fund—federal appropriation are provided solely for implementation of

Engrossed Substitute Senate Bill No. 5229 (health equity continuing education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

((36)) (35) \$50,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for fall prevention training. The department of social and health services will provide one-time grant funding to an association representing long-term care facilities to develop and provide fall prevention training for long-term care facilities. The training must include information about environmental modifications to help reduce falls, tools to assess an individual's risk for falling, and evidence-based interventions for reducing falls amongst individuals with dementia or cognitive impairments. The training must be offered at no cost and made available online for the general public to access at any time. The recipient of the grant funds must work with the department of social and health services and the department of health on developing and promoting the training.

((37)) (36) \$4,504,000 of the general fund—state appropriation for fiscal year 2022, \$9,072,000 of the general fund—state appropriation for fiscal year 2023, and \$452,000 of the general fund—federal appropriation are provided solely for behavioral health personal care services for individuals with exceptional care needs due to their psychiatric diagnosis as determined through the department's CARE assessment and for three full-time positions to coordinate with the health care authority and medicaid managed care organizations for the care of these individuals. Future caseload and per capita changes for behavioral health personal care services will be incorporated into the department's medicaid forecast. The department shall coordinate with the authority for purposes of developing and submitting to the centers for medicare and medicaid, a 1915(i) state plan.

((38)) (37) Within existing appropriations, and no later than December 31, 2021, the department of social and health services must work with stakeholders to consider modifications to current practices that address the current challenges adult family homes are facing with acquiring and maintaining liability insurance coverage. In consultation with stakeholders, the department of social and health services must:

(a) Transition language contained in citation and enforcement actions to plain talk language that helps insurers and consumers understand the nature of the regulatory citations; and

(b) Display the severity and resolution of citation and enforcement actions in plain talk language for consumers and insurers to better understand the nature of the situation.

((39)) (38) \$435,000 of the general fund—state appropriation for fiscal year 2022 and \$435,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to continue the current pilot project in Pierce county to provide personal care services to homeless seniors and people with disabilities from the time the person presents at a shelter to the time they become eligible for medicaid and to establish two new pilot project sites in King county, one site in Clark county, and one site in Spokane county. The department of social and health services shall submit a report by December 1, 2022, to the governor and appropriate legislative committees that addresses the following for each site:

(a) The number of people served in the pilot;

(b) The number of people served in the pilot who transitioned to medicaid personal care;

(c) The number of people served in the pilot who found stable housing; and

(d) Any additional information or data deemed relevant by the contractors or the department of social and health services.

((40)) (39) \$3,063,000 of the general fund—state appropriation for fiscal year 2022 and \$4,517,000 of the general

fund—federal appropriation is provided solely to offset COVID-19 related cost impacts on the in-home medicaid long-term care case management program operated by area agencies on aging.

((41))) (40) Appropriations provided in this section are sufficient to implement Substitute Senate Bill No. 5258 (consumer directed employers).

((42))) (41) \$69,000 of the general fund—state appropriation for fiscal year 2022, \$65,000 of the general fund—state appropriation for fiscal year 2023, and \$98,000 of the general fund—federal appropriation are provided solely to implement Engrossed Second Substitute Senate Bill No. 5163 (conditionally released sexually violent predators). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(43))) (42) \$75,000 of the general fund—state appropriation for fiscal year 2022, \$54,000 of the general fund—state appropriation for fiscal year 2023, and \$130,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1411 (health care workforce). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(44))) (43) \$15,000 of the general fund—state appropriation for fiscal year 2022, ((\$51,000)) \$111,000 of the general fund—state appropriation for fiscal year 2023, and ((\$32,000)) \$61,000 of the general fund—federal appropriation are provided solely for a cost of living adjustment to the personal needs allowance pursuant to RCW 74.09.340.

(44) \$12,890,000 of the general fund—state appropriation for fiscal year 2023 and \$12,891,000 of the general fund—federal appropriation are provided solely to adjust the minimum occupancy assumption used to calculate the indirect care median to 75 percent.

(45) \$38,265,000 of the general fund—state appropriation for fiscal year 2023 and \$48,666,000 of the general fund—federal appropriation are provided solely for the purposes of settling all claims in the two related cases *Liang et al v. Washington DSHS et al*, Thurston county superior court case no. 20-2-02506-34 and *SEIU 775 v. Washington DSHS et al*, Thurston county superior court case no. 18-2-05584-34, Washington supreme court case no. 99658-8. The expenditure of these amounts is contingent upon the release of all claims in both cited cases, and total settlement costs shall not exceed the amounts provided in this subsection and section 203(1)(y) of this act. If the settlement agreement is not fully executed and approved by the Thurston county superior court by June 30, 2023, the amounts provided in this subsection shall lapse.

(46) \$799,000 of the general fund—state appropriation for fiscal year 2023 and \$1,016,000 of the general fund—federal appropriation are provided solely to make up for a gap in the employer tax rates paid to agency providers. Funds must be used to ensure wages and benefits of home care agency workers who provide direct care are increased to satisfy wage parity requirements set forth in RCW 74.39A.310, except in situations where agency providers covered the gap in the tax rate by reducing agency administrative expenses.

(47) \$133,000 of the general fund—state appropriation for fiscal year 2022, \$181,000 of the general fund—state appropriation for fiscal year 2023, and \$313,000 of the general fund—federal appropriation are provided solely to continue the overpayment resolution team through the 2021-2023 fiscal biennium. No later than June 30, 2023, the department shall submit to the appropriate committees of the legislature a report describing the work undertaken by this team and the associated outcomes.

(48) \$1,081,000 of the general fund—state appropriation for fiscal year 2023 and \$1,200,000 of the general fund—federal

appropriation are provided solely to increase rates by 20 percent for in-home private duty nursing agencies and to increase rates by 10 percent for private duty nursing adult family homes effective July 1, 2022.

(49) \$1,750,000 of the general fund—state appropriation for fiscal year 2023 and \$350,000 of the general fund—federal appropriation are provided solely for area agency on aging care coordinators stationed in acute care hospitals to help transition clients ready for hospital discharge into home and community-based settings. Care coordinators shall keep data on numbers of patients discharged and readmission impacts and report that information to the department of social and health services.

(50) \$23,000 of the general fund—state appropriation for fiscal year 2022, \$15,879,000 of the general fund—state appropriation for fiscal year 2023, and \$17,378,000 of the general fund—federal appropriation are provided solely to increase funding of the assisted living medicaid methodology established in RCW 74.39A.032 and of the specialized dementia care rate methodology to 68 percent of full methodology funding, effective July 1, 2022.

(a) Of the amounts provided in this subsection, \$23,000 of the general fund—state appropriation for fiscal year 2022, \$39,000 of the general fund—state appropriation for fiscal year 2023, and \$62,000 of the general fund—federal appropriation are provided solely for a one-time project staff position at the department to develop and submit a report to the governor and appropriate legislative committees no later than December 30, 2022. The report must include a review and summary of discharge regulations and notification requirements for assisted living providers and include recommendations related to disclosure of providers' terms and conditions for medicaid acceptance.

(b) Following the submission of the report in (a) of this subsection and through the end of the 2021-2023 fiscal biennium, the department shall regularly review and report on medicaid resident utilization of and access to assisted living facilities.

(51) \$12,000,000 of the general fund—state appropriation for fiscal year 2023 and \$12,000,000 of the general fund—federal appropriation are provided solely to increase the rate paid for area agency on aging case management services by 23 percent.

(52) \$68,000 of the general fund—state appropriation for fiscal year 2023 and \$67,000 of the general fund—federal appropriation are provided solely for implementation of Senate Bill No. 5866 (medicaid LTSS/tribes). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(53) \$24,138,000 of the general fund—state appropriation for fiscal year 2023 and \$24,138,000 of the general fund—federal appropriation are provided solely to increase skilled nursing facility medicaid rates in order to increase low-wage direct and indirect care worker wages by up to four dollars per hour effective July 1, 2022. Funding provided in this subsection is provided for purposes of wage equity.

(a) Of the amounts provided in this subsection, \$21,910,000 of the general fund—state appropriation for fiscal year 2023 and \$21,910,000 of the general fund—federal appropriation are provided solely to increase the fixed rate paid for direct care to no less than 111 percent of statewide case mix neutral median costs to increase low-wage direct care worker wages by up to four dollars per hour effective July 1, 2022. For the purpose of this subsection, "low-wage direct care workers" means certified nursing assistants, dietary workers, laundry workers, and other workers who provide direct care to patients and who have no managerial roles. The department shall determine each facility-specific wage equity funding amount in the direct care rate component by comparing the rate at 105 percent of the direct care median to the rate at 111 percent of the direct care median, and by multiplying the rate difference by the actual paid medicaid

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days over the July 1, 2022, through June 30, 2023 period.

(b) Of the amounts provided in this subsection, \$2,229,000 of the general fund—state appropriation for fiscal year 2023 and \$2,228,000 of the general fund—federal appropriation are provided solely to increase the fixed rate paid for indirect care to no less than 92 percent of statewide median costs to increase low-wage indirect care worker wages by up to four dollars per hour effective July 1, 2022. For the purpose of this subsection, "low-wage indirect care workers" means central supply workers and housekeeping workers. The department shall determine each facility-specific wage equity funding amount for the indirect care rate component by comparing the rate at 90 percent of the indirect care median to the rate at 92 percent of the indirect care median, and by multiplying the rate difference by the actual paid medicaid days over the July 1, 2022, through June 30, 2023 period.

(c) Working with stakeholders, the department shall develop and adopt rules to establish a verification process for each skilled nursing facility provider to demonstrate how the provider has used its wage equity funding to increase wages for low-wage workers by up to four dollars per hour, and for the department to recover any funding difference between each provider's wage equity funding and the amount of wage equity funding that the provider utilizes to increase low-wage worker wages. The verification process must use wages paid as of December 31, 2021, as the base wage to compare providers' wage spending in the designated job categories to the facility-specific amounts of wage equity funding provided in (a) and (b) of this subsection, excluding any amounts adjusted by settlement. The verification and recovery process in this subsection is a distinct and separate process from the settlement process described in RCW 74.46.022.

(d) It is the intent of the legislature that wage equity funding provided in this subsection be carried forward into the department's appropriation for the 2023-2025 fiscal biennium.

(54) \$350,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a study of the feasibility of placing individuals under the jurisdiction of the department of corrections in nursing home facilities licensed or to be licensed by the department to better meet the client's care needs. By October 1, 2022, in collaboration with the department of corrections and the health care authority, the department must submit a preliminary report to the governor and the relevant fiscal and policy committees of the legislature. At a minimum, the preliminary report must review the medical, behavioral health, and long-term care needs of the individuals and assess whether the state could obtain and be eligible for federal funding for providing health care and long-term care services for individuals under the jurisdiction of the department of corrections placed in nursing home facilities. By June 30, 2023, the department, in collaboration with the department of corrections, must submit a final report to the governor and the relevant fiscal and policy committees of the legislature. The final report shall:

(a) Assess the relevant characteristics and needs of the potential patient population;

(b) Assess the feasibility, daily operating costs, staffing needs, and other relevant factors of potential locations or contractors, including the Maple Lane corrections center, for placement of long-term care individuals under the jurisdiction of the department of corrections for a potential nursing home facility to be licensed by the department;

(c) A cost-benefit analysis of placing individuals under the jurisdiction of department of corrections clients in potential facilities identified in subsection (b) of this subsection, including the possibility or absence of federal funding for operations. The department of corrections must provide daily operating costs of prisons where these individuals may be coming from, the fiscal

year 2021 daily costs per incarcerated individual assigned to the sage living unit, and the costs associated with electronic home monitoring costs per individual. This analysis shall take into account both state-run and privately contracted options;

(d) Assess the ability of potential facilities identified in subsection (b) of this subsection to better meet clients' medical and personal needs; and

(e) Assess the ability to provide medicaid funded services to meet the health care needs of these individuals.

(55) \$438,000 of the general fund—state appropriation for fiscal year 2023 and \$558,000 of the general fund—federal appropriation are provided solely to increase the rates paid for adult day health and adult day care providers effective July 1, 2022, by the amount of the temporary rate add-on in effect through June 30, 2022.

(56) \$900,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to expand the availability of home-delivered meals for eligible long-term care clients.

(57) \$82,000 of the general fund—state appropriation for fiscal year 2023 and \$82,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1980 (concurrent services). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(58) The long-term services and supports trust commission established in RCW 50B.04.030 must submit the results of the following activities, including any legislative recommendations, to the governor and appropriate legislative committees no later than January 1, 2023:

(a) The commission shall develop options for allowing persons who become qualified individuals and subsequently move outside of Washington to access benefits in another state if they meet the minimum assistance requirements to become an eligible beneficiary. The commission must include consideration of options for conducting eligibility determinations for qualified individuals who subsequently move outside of Washington, alternative forms of benefits for out-of-state eligible beneficiaries, methods of cross-state coordination on long-term services and supports providers, and timing implications of extending benefits to out-of-state eligible beneficiaries with respect to short-term program implementation and long-term collaboration with other states establishing similar programs.

(b) The commission shall develop options for requiring the ongoing verification of the maintenance of long-term care insurance coverage by persons who have received an exemption under RCW 50B.04.085, including consideration of procedures that minimize administrative burden, minimize negative impact on long-term services and supports trust account solvency, and incentivize maintenance of coverage.

(c) The commission shall develop options for providing workers who have received exemptions based on having private long-term care insurance pursuant to RCW 50B.04.085 an opportunity to rescind their exemption and permanently reenter the long-term services and supports trust program.

Sec. 205. 2021 c 334 s 205 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES PROGRAM

General Fund—State	Appropriation (FY 2022)	(\$414,105,000))
		\$393,972,000
General Fund—State	Appropriation (FY 2023)	(((\$420,792,000))
		\$511,507,000
General Fund—Federal	Appropriation	(((\$1,528,996,000))
		\$1,658,341,000

General Fund—Private/Local Appropriation	\$5,274,000
Domestic Violence Prevention Account—State Appropriation	\$2,404,000
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	\$345,399,000
TOTAL APPROPRIATION	(((\$2,716,970,000)) \$2,916,897,000

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

(1)(a) (((\$118,168,000)) \$69,453,000 of the general fund—state appropriation for fiscal year 2022, (((\$119,846,000)) \$122,583,000 of the general fund—state appropriation for fiscal year 2023, and (((\$859,678,000)) \$860,217,000 of the general fund—federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop program index codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting a structure change.

(b) (((\$386,329,000)) \$366,071,000 of the amounts in (a) of this subsection is for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance. Of the amounts provided in this subsection (1)(b):

(i) (((\$10,914,000)) \$7,776,000 of the general fund—state appropriation for fiscal year 2022, (((\$14,104,000)) \$9,729,000 of the general fund—state appropriation for fiscal year 2023, and \$27,226,000 of the general fund—federal appropriation are provided solely for the department to increase the temporary assistance for needy family grant standard by 15 percent, effective July 1, 2021.

(ii) \$10,744,000 of the general fund—federal appropriation of the amounts in (a) of this subsection are provided solely for the department to provide cash assistance to households who have exceeded the 60 month time limit in the temporary assistance for needy families program, pursuant to RCW 74.08A.010(5), through June 30, 2022. Because funding for this specific purpose is provided only through fiscal year 2022, pursuant to section 4 of Second Substitute Senate Bill No. 5214, the bill takes effect 90 days after final adjournment of the legislative session in which it is enacted.

(iii) (((\$3,420,000)) \$9,950,000 of the general fund—state appropriation for fiscal year 2023 and \$2,126,000 of the general fund—federal appropriation are provided solely for the ((cost of benefits associated with the implementation of Second Substitute Senate Bill No. 5214 (economic assistance programs))) department to provide cash assistance to households who have exceeded the 60 month time limit in the temporary assistance for needy families program, pursuant to RCW 74.08A.010(5), through June 30, 2023. ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse. The department is directed to provide the high-unemployment time-limit extension approved under the bill upon the expiration of the

60-month time limit extension pursuant to (b)(ii) of this subsection.))

(iv) \$217,000 of the general fund—state appropriation for fiscal year 2022 and \$863,000 of the general fund—federal appropriation are provided solely for costs in state fiscal year 2022 that are associated with the temporary suspension of the mid-certification review and extension of the eligibility review between November 2020 and June 2021 for the temporary assistance for needy families program.

(v) \$50,000 of the general fund—federal appropriation is provided solely to increase the monthly payment standard for households with nine or more assistance unit members that are receiving temporary assistance for needy families or state family assistance benefits, effective July 1, 2022.

(c) (((\$172,917,000)) \$176,446,000 of the amounts in (a) of this subsection is for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures. Within amounts provided in this subsection (1)(c), the department shall implement the working family support program.

(i) \$5,952,000 of the general fund—state appropriation for fiscal year 2022 and \$157,000 of the general fund—federal appropriation of the amounts in (a) of this subsection are provided solely for the WorkFirst services costs associated with the expansion of the 60 month time limit in the temporary assistance for needy families program for households described in RCW 74.08A.010(5).

(ii) \$2,474,000 of the amounts provided in this subsection (1)(c) is for enhanced transportation assistance. The department must prioritize the use of these funds for the recipients most in need of financial assistance to facilitate their return to work. The department must not utilize these funds to supplant repayment arrangements that are currently in place to facilitate the reinstatement of drivers' licenses.

(iii) \$378,000 of the general fund—state appropriation for fiscal year 2022 and \$568,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for WorkFirst services costs associated with the implementation of chapter 320, Laws of 2020 (revising economic assistance programs).

(iv) \$748,000 of the general fund—state appropriation for fiscal year 2022, \$760,000 of the general fund—state appropriation for fiscal year 2023, and \$1,706,000 of the general fund—federal appropriation are provided solely for WorkFirst services costs associated with the implementation of chapter 338, Laws of 2020 (improving access to temporary assistance for needy families).

(v) (((\$3,701,000)) \$7,230,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the WorkFirst costs associated with ((the implementation of Second Substitute Senate Bill No. 5214 (economic assistance programs))) the extension of the 60 month time limit through June 30, 2023. ((If the bill is not enacted by June 30, 2021, the amount provided in this section shall lapse.))

(d) Of the amounts in (a) of this subsection, (((\$353,402,000)) \$318,402,000 of the general fund—federal appropriation is for the working connections child care program under RCW 43.216.020 within the department of children, youth, and families. The department is the lead agency for and recipient of the federal temporary assistance for needy families grant. A portion of this grant must be used to fund child care subsidies expenditures at the department of children, youth, and families.

(i) The department of social and health services shall work in collaboration with the department of children, youth, and families

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to determine the appropriate amount of state expenditures for the working connections child care program to claim towards the state's maintenance of effort for the temporary assistance for needy families program. The departments will also collaborate to track the average monthly child care subsidy caseload and expenditures by fund type, including child care development fund, general fund—state appropriation, and temporary assistance for needy families for the purpose of estimating the annual temporary assistance for needy families reimbursement from the department of social and health services to the department of children, youth, and families.

(ii) Effective September 30, 2022, and annually thereafter, the department of children, youth, and families must report to the governor and the appropriate fiscal and policy committees of the legislature the total state contribution for the working connections child care program claimed the previous fiscal year towards the state's maintenance of effort for the temporary assistance for needy families program and the total temporary assistance for needy families reimbursement from the department of social and health services for the previous fiscal year.

(e) Of the amounts in (a) of this subsection, \$68,496,000 of the general fund—federal appropriation is for child welfare services within the department of children, youth, and families.

(f) Of the amounts in (a) of this subsection, ((\$116,195,000)) \$122,836,000 is for WorkFirst administration and overhead. Of the amounts provided in this subsection (1)(f):

(i) \$399,000 of the general fund—state appropriation for fiscal year 2022 and \$805,000 of the general fund—state appropriation for fiscal year 2023 of the amounts in (a) of this subsection ((is)) are provided solely for administrative and overhead costs associated with the expansion of the 60 month time limit through June 30, 2023 in the temporary assistance for needy families program for households described in RCW 74.08A.010(5).

(ii) \$43,000 of the general fund—state appropriation in fiscal year 2022 and \$43,000 of the general fund—state appropriation in fiscal year 2023 are provided solely for administrative and overhead costs associated with the implementation of chapter 320, Laws of 2020 (revising economic assistance programs).

(iii) \$1,215,000 of the general fund—federal appropriation is provided solely for administrative and overhead costs associated with the implementation of chapter 338, Laws of 2020 (improving access to temporary assistance for needy families).

(iv) \$512,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for administrative and overhead costs associated with the implementation of Second Substitute Senate Bill No. 5214 (economic assistance programs). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)) The department is directed to use the funding provided in this subsection to make information technology changes necessary to provide the high-unemployment time-limit extension approved under the bill beginning July 1, 2022.

(v) \$489,000 of the general fund—federal appropriation is provided solely for administrative and overhead costs associated with the implementation of Substitute Senate Bill No. 5838 (diaper subsidy/TANF). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(g)(i) The department shall submit quarterly expenditure reports to the governor, the fiscal committees of the legislature, and the legislative WorkFirst poverty reduction oversight task force under RCW 74.08A.341. In addition to these requirements, the department must detail any fund transfers across budget units identified in (a) through (e) of this subsection. The department shall not initiate any services that require expenditure of state general fund moneys that are not consistent with policies

established by the legislature.

(ii) The department may transfer up to ten percent of funding between budget units identified in (b) through (f) of this subsection. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative committees and the legislative-executive WorkFirst poverty reduction oversight task force. The approval of the director of financial management is required prior to any transfer under this subsection.

(h) Each calendar quarter, the department shall provide a maintenance of effort and participation rate tracking report for temporary assistance for needy families to the office of financial management, the appropriate policy and fiscal committees of the legislature, and the legislative-executive WorkFirst poverty reduction oversight task force. The report must detail the following information for temporary assistance for needy families:

(i) An overview of federal rules related to maintenance of effort, excess maintenance of effort, participation rates for temporary assistance for needy families, and the child care development fund as it pertains to maintenance of effort and participation rates;

(ii) Countable maintenance of effort and excess maintenance of effort, by source, provided for the previous federal fiscal year;

(iii) Countable maintenance of effort and excess maintenance of effort, by source, for the current fiscal year, including changes in countable maintenance of effort from the previous year;

(iv) The status of reportable federal participation rate requirements, including any impact of excess maintenance of effort on participation targets;

(v) Potential new sources of maintenance of effort and progress to obtain additional maintenance of effort;

(vi) A two-year projection for meeting federal block grant and contingency fund maintenance of effort, participation targets, and future reportable federal participation rate requirements; and

(vii) Proposed and enacted federal law changes affecting maintenance of effort or the participation rate, what impact these changes have on Washington's temporary assistance for needy families program, and the department's plan to comply with these changes.

(i) In the 2021-2023 fiscal biennium, it is the intent of the legislature to provide appropriations from the state general fund for the purposes of (a) of this subsection if the department does not receive additional federal temporary assistance for needy families contingency funds in each fiscal year as assumed in the budget outlook.

(2) \$2,545,000 of the general fund—state appropriation for fiscal year 2022 and \$2,546,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for naturalization services.

(3) \$2,366,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On January 1, 2022, and January 1, 2023, the department must report to the governor and the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the

amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

(5) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be one hundred percent of the federal supplemental nutrition assistance program benefit amount.

(6) The department shall review clients receiving services through the aged, blind, or disabled assistance program, to determine whether they would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department.

(7) The department shall continue the interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veterans' services. This agreement must include out-stationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

(8) \$1,500,000 of the general fund—state appropriation for fiscal year 2022 and \$1,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for operational support of the Washington information network 211 organization.

(9) \$609,000 of the general fund—state appropriation for fiscal year 2022 and \$380,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of section 2, chapter 9, Laws of 2021 (SHB 1151) (public assistance), a state-funded cash benefit program and transitional food assistance program for households with children that are recipients of the supplemental nutrition assistance program of the food assistance program but are not recipients of the temporary assistance for needy families program.

(10) \$377,000 of the general fund—state appropriation for fiscal year 2022 and \$377,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the consolidated emergency assistance program.

(11) \$77,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to conduct a study, jointly with the poverty reduction work group, on the feasibility of implementing a universal basic income pilot program. The study must include research of other universal basic income programs, recommendations for a pilot in Washington, a cost-benefit analysis, operational costs, and an implementation plan that includes a strategy to ensure pilot participants who voluntarily quit a public assistance program to enroll in the universal basic income pilot will not experience gaps in service upon completion of the pilot. The department shall submit recommendations required by this section to the governor and appropriate legislative committees no later than June 1, 2022.

(12) \$251,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for costs in state fiscal year 2022 that are associated with the temporary suspension of mid-certification reviews and extension of the eligibility review between November 2020 and June 2021 for the aged, blind, or disabled program.

(13) \$388,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for costs in fiscal year 2022 that are associated with the temporary suspension of mid-certification reviews and extension of the eligibility review between November 2020 and June 2021 for the food assistance program.

(14) \$5,399,000 of the coronavirus state fiscal recovery

account—federal appropriation is provided solely for the department to increase benefits for the food assistance program to maintain parity with benefits provided under the supplemental nutrition assistance program, for the period of July 1, 2021, through ((September 30, 2021)) January 31, 2022.

(15) \$340,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the Washington immigrant relief fund, a disaster assistance program to provide grants to eligible persons. Administrative costs may not exceed 10 percent of the funding in this subsection.

(a) A person is eligible for a grant who:

(i) Lives in Washington state;

(ii) Is at least 18 years of age;

(iii) After January 1, 2021, and before June 30, 2023, has been significantly affected by the coronavirus pandemic, such as loss of employment or significant reduction in work hours, contracting the coronavirus, having to self-quarantine as a result of exposure to the coronavirus, caring for a family member who contracted the coronavirus, or being unable to access childcare for children impacted by school or childcare closures; and

(iv) Is not eligible to receive federal economic impact (stimulus) payments or unemployment insurance benefits due to the person's immigration status.

(b) The department may not deny a grant to a person on the basis that another adult in the household is eligible for federal economic impact (stimulus) payments or unemployment insurance benefits or that the person previously received a grant under the program. However, a person may not receive more than three grants.

(c) The department's duty to provide grants is subject to the availability of the amounts specified in this subsection, and the department must prioritize grants to persons who are most in need of financial assistance using factors that include, but are not limited to: (i) Having an income at or below 250 percent of the federal poverty level; (ii) being the primary or sole income earner of household; (iii) experiencing housing instability; and (iv) having contracted or being at high risk of contracting the coronavirus.

(d) The department may contract with one or more entities to administer the program. If the department engages in a competitive contracting process for administration of the program, experience in administering similar programs must be given weight in the selection process to expedite the delivery of benefits to eligible applicants.

(16) \$204,000 of the general fund—state appropriation for fiscal year 2022 and ((\$22,635,000)) \$22,766,000 of the general fund—federal appropriation (ARPA) are provided solely for the department to provide a one-time or short-term cash benefit to families eligible for pandemic emergency assistance under section 9201 of the American rescue plan act of 2021, P.L. 117-2, and to offer an equivalent benefit to eligible state family assistance or food assistance program recipients.

(17) \$88,000 of the general fund—state appropriation for fiscal year 2022 and \$89,000 of the general fund—federal appropriation are provided solely for the implementation of chapter 90, Laws of 2021 (SSB 5068) (postpartum period/Medicaid).

(18) \$41,000 of the general fund—state appropriation for fiscal year 2022, \$81,000 of the general fund—state appropriation for fiscal year 2023, and \$237,000 of the general fund—federal appropriation are provided solely for implementation of Substitute House Bill No. 1416 (insurers/child support coll.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(19) \$11,884,000 of the general fund—state appropriation for fiscal year 2022 and \$15,248,000 of the general fund—federal appropriation are provided solely to cover the variance in total

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child support arrears collected in fiscal year 2022 compared to the total arrears collected in fiscal year 2021.

(20) \$36,860,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to increase the grant standard for the aged, blind, or disabled program to a maximum of \$417 per month for a one-person grant and \$528 for a two-person grant effective September 1, 2022.

(21) \$513,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to eliminate the mid-certification review for blind or disabled participants in the aged, blind, or disabled program, effective July 1, 2022.

(22) \$195,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to expand the aged, blind, or disabled program's clothing, personal maintenance, and necessary incidentals grant to individuals between the ages of 21 and 64 who are residing in a public mental institution, effective September 1, 2022.

(23) \$207,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to implement House Bill No. 1748 (human trafficking/ABD prog.). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(24) \$560,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to implement a state-funded employment and training program for recipients of the state's food assistance program, effective July 1, 2022.

(25) \$219,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to implement Substitute Senate Bill No. 5785 (transitional food assistance). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(26) \$95,000 of the general fund—state appropriation for fiscal year 2023 and \$61,000 of the general fund—federal appropriation are provided solely to remove the asset limit test for the medicare savings plan program in collaboration with the health care authority, effective January 1, 2023.

(27) \$207,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for system upgrades necessary for the anticipated expansion of medicaid equivalent health care coverage to uninsured adults with income up to 138 percent of the federal poverty level regardless of immigration status in collaboration with the health care authority. Funding is subject to the conditions, limitations, and review requirements of section 701 of this act.

(28) \$8,489,000 of the general fund—state appropriation for fiscal year 2022 and \$19,909,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with nonprofit organizations to provide services to refugees and immigrants that have arrived in Washington state on or after July 1, 2021, and are eligible for federal refugee resettlement services, including those from Afghanistan and Ukraine. The services shall include, but are not limited to, emergency, temporary, and long-term housing and assistance with food, transportation, accessing childhood education services, applying for benefits and immigrant services, education and employment support, and social services navigation.

(29) \$750,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide funding to domestic violence services providers in Washington state that receive funding through the domestic violence services program and provide shelter services. The funding to each entity shall be proportionate, based upon bed capacity. This funding shall be in addition to any other funds previously provided to or scheduled to be provided under a contract with the domestic violence services program in the 2021-2023 fiscal biennium.

(30) \$1,000 of the general fund—state appropriation for fiscal year 2023 is for the implementation of Engrossed Second Substitute House Bill No. 2075 (DSHS service requirements).

(31) \$211,000 of the general fund—state appropriation for fiscal year 2022, \$5,727,000 of the general fund—state appropriation for fiscal year 2023, and \$13,762,000 of the general fund—federal appropriation are provided solely for the integrated eligibility and enrollment modernization project to create a comprehensive application and benefit status tracker for multiple programs and to establish a foundational platform. Funding is subject to the conditions, limitations, and review requirements of section 701 of this act.

(32) \$27,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5729 (hearing deadlines/good cause). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 206. 2021 c 334 s 206 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM

General Fund—State	Appropriation	(FY 2022)
		((16,231,000))
		\$17,363,000
General Fund—State	Appropriation	(FY 2023)
		((16,456,000))
		\$24,443,000
General Fund—Federal	Appropriation	((109,595,000))
		\$109,830,000
TOTAL APPROPRIATION		((142,282,000))
		\$151,636,000

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

(1) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$40,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1061 (child welfare/dev disability). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(2) \$5,087,000 of the general fund—state appropriation for fiscal year 2023 and \$235,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5790 (community support services). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

Sec. 207. 2021 c 334 s 207 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT PROGRAM

General Fund—State	Appropriation	(FY 2022)
		((63,650,000))
		\$65,051,000
General Fund—State	Appropriation	(FY 2023)
		((61,748,000))
		\$69,743,000
TOTAL APPROPRIATION		((125,398,000))
		\$134,794,000

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

(1) The special commitment center may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(2) \$1,204,000 of the general fund—state appropriation for fiscal year 2022 and \$1,079,000 of the general fund—state

appropriation for fiscal year 2023 are provided solely for specialized equipment and additional medical staff to provide more capacity to deliver care to individuals housed at the total confinement facility. No later than November 1, 2023, the department shall report to the legislature on the number of individuals treated on the island that previously would have been transported off the island for treatment.

(3) \$16,000 of the general fund—state appropriation for fiscal year 2022 and \$15,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the increased costs for personal computers leased through the department of enterprise services.

(4) \$6,768,000 of the general fund—state appropriation for fiscal year 2022 and \$4,496,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5163 (conditionally released SVPs). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

Sec. 208. 2021 c 334 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund—State	Appropriation	(FY 2022)	
			(((\$39,381,000))
			<u>\$41,169,000</u>
General Fund—State	Appropriation	(FY 2023)	
			(((\$39,035,000))
			<u>\$45,628,000</u>
General Fund—Federal	Appropriation		(((\$51,371,000))
			<u>\$53,582,000</u>
TOTAL APPROPRIATION			(((\$129,787,000))
			<u>\$140,379,000</u>

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

(1) Within amounts appropriated in this section, the department shall provide to the department of health, where available, the following data for all nutrition assistance programs funded by the United States department of agriculture and administered by the department. The department must provide the report for the preceding federal fiscal year by February 1, 2022, and February 1, 2023. The report must provide:

(a) The number of people in Washington who are eligible for the program;

(b) The number of people in Washington who participated in the program;

(c) The average annual participation rate in the program;

(d) Participation rates by geographic distribution; and

(e) The annual federal funding of the program in Washington.

(2)(a) \$3,000 of the general fund—state appropriation for fiscal year 2022, \$5,000 of the general fund—state appropriation for fiscal year 2023, and \$8,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium.

(b) \$20,000 of the general fund—state appropriation for fiscal year 2023 and \$11,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for fiscal year 2023 as provided in section 938 of this act.

(3) By October 1, 2021, the department must submit a report to

the fiscal committees of the legislature detailing shortcomings of the previously funded electronic health records system and contract, the clinical validity of existing software, approaches to mitigate the shortcomings of previously funded system, and a recommended approach to establishing a comprehensive electronic health records system at state facilities in the future.

(4) \$39,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to implement Substitute House Bill No. 1411 (health care workforce). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(5) \$364,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the creation of a program director position and a project manager position tasked with ensuring an enterprise-wide approach to poverty reduction across Washington. These positions will convene and facilitate the poverty reduction subcabinet, track agency progress on poverty reduction efforts to build a stronger continuum of care, coordinate budget and policy proposals, and ensure that recommendations incorporate data prepared by the poverty reduction technical advisory group.

(6) \$461,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create a poverty reduction technical advisory group that is tasked with developing a statewide measurement and data framework that can help inform future budget and policy decisions. This group must also track the state's progress towards creating a just and equitable future. This group must collaborate with communities experiencing poverty and the state office of equity to ensure their input is factored into the analysis of data.

(7) \$75,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department, in collaboration with the Washington state health care authority, to study the cost and benefit of adopting available options to expand medicare savings programs and classic medicaid programs, including categorically needy and medically needy, to promote affordable care, premiums, and cost-sharing for medicare enrollees. The cost analysis must identify available federal funding for each option. The department shall consider options that create affordability comparable to affordable care act programs available to adults without medicare, as well as intermediate options that move toward comparability. The study must analyze equity impacts of each option, considering gender, race, and ethnicity. The department shall submit the study and recommendations to the fiscal and health care committees of the legislature, as well as the joint legislative-executive committee on planning for aging and disability issues, by November 1, 2022.

(8) \$75,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to design and conduct a study describing the service experiences and characteristics of persons receiving medicaid-funded long-term services and supports and persons receiving services related to developmental or intellectual disabilities, and associated social and health services expenditures. Where feasible, this analysis shall include service experiences and expenditures of these populations within and across medicaid-funded long-term services and supports, medicaid-funded medical programs, medicaid-funded behavioral health programs, and medicare programs in Washington state. The department analysis shall be developed in consultation with relevant stakeholders, including but not limited to the Washington state health care authority. The department shall submit a final study report to the governor and appropriate committees of the legislature by December 31, 2022.

(9) \$65,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to prepare an annual report in consultation with the department of commerce

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on the projected demand for permanent supportive housing. This report is to be submitted to the appropriate committees of the legislature by December 1, 2022.

Sec. 209. 2021 c 334 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund—State	Appropriation	(FY 2022)	
			((65,743,000))
			<u>\$68,048,000</u>
General Fund—State	Appropriation	(FY 2023)	
			((56,529,000))
			<u>\$60,750,000</u>
General Fund—Federal	Appropriation		((53,229,000))
			<u>\$55,969,000</u>
TOTAL APPROPRIATION			((175,501,000))
			<u>\$184,767,000</u>

The appropriations in this section are subject to the following conditions and limitations: Within the amounts appropriated in this section, the department must extend master property insurance to all buildings owned by the department valued over \$250,000 and to all locations leased by the department with contents valued over \$250,000.

Sec. 210. 2021 c 334 s 210 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

(1)(a) During the 2021-2023 fiscal biennium, the health care authority shall provide support and data as required by the office of the state actuary in providing the legislature with health care actuarial analysis, including providing any information in the possession of the health care authority or available to the health care authority through contracts with providers, plans, insurers, consultants, or any other entities contracting with the health care authority.

(b) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the health care authority are subject to technical oversight by the office of the chief information officer.

(2) The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the health care authority receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding

guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that projects are planned for in a manner that ensures the efficient use of state resources, supports the adoption of a cohesive technology and data architecture, and maximizes federal financial participation. The work of the coalition and any project identified as a coalition project is subject to the conditions, limitations, and review provided in section 701 of this act.

(b) The health care authority must submit a report on November 1, 2021, and annually thereafter, to the fiscal committees of the legislature. The report must include, at a minimum:

(i) A list of active coalition projects as of July 1st of the fiscal year. This must include all current and ongoing coalition projects, which coalition agencies are involved in these projects, and the funding being expended on each project, including in-kind funding. For each project, the report must include which federal requirements each coalition project is working to satisfy, and when each project is anticipated to satisfy those requirements; and

(ii) A list of coalition projects that are planned in the current and following fiscal year. This must include which coalition agencies are involved in these projects, including the anticipated in-kind funding by agency, and if a budget request will be submitted for funding. This must reflect all funding required by fiscal year and by fund source and include the budget outlook period.

(4) The appropriations to the health care authority in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2022, unless prohibited by this act, the authority may transfer general fund—state appropriations for fiscal year 2022 among programs after approval by the director of the office of financial management. The authority must notify the fiscal committees of the legislature prior to receiving approval from the director of the office of financial management. To the extent that appropriations in sections 211 through 215 of this act are insufficient to fund actual expenditures in excess of caseload forecast and utilization assumptions or for expenses in response to the COVID-19 pandemic, the authority may transfer general fund—state appropriations for fiscal year 2022 that are provided solely for a specified purpose. The authority may not transfer funds, including for expenses in response to the COVID-19 pandemic in fiscal year 2022, and the director of the office of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of the office of financial management shall notify the appropriate fiscal committees of the legislature in writing seven days prior to approving any allotment modifications or transfers under this section. The written notification must include a narrative explanation and justification of changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications and transfers.

Sec. 211. 2021 c 334 s 211 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY—MEDICAL ASSISTANCE

General Fund—State	Appropriation	(FY 2022)	
			((2,516,277,000))
			<u>\$2,391,518,000</u>
General Fund—State	Appropriation	(FY 2023)	
			((2,439,933,000))
			<u>\$2,600,611,000</u>

General Fund—Federal Appropriation	(\$13,199,214,000)
	<u>\$13,934,556,000</u>
General Fund—Private/Local Appropriation	(\$355,726,000)
	<u>\$465,890,000</u>
Emergency Medical Services and Trauma Care Systems Trust Account—State Appropriation	\$15,086,000
Hospital Safety Net Assessment Account—State Appropriation	(\$723,238,000)
	<u>\$685,383,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2022)	(\$24,511,000)
	<u>\$26,063,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2023)	(\$25,182,000)
	<u>\$27,241,000</u>
Medical Aid Account—State Appropriation	\$540,000
Telebehavioral Health Access Account—State Appropriation	(\$7,714,000)
	<u>\$8,034,000</u>
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	(\$35,000,000)
	<u>\$59,600,000</u>
<u>Ambulance Transport Fund—State Appropriation</u>	<u>\$14,317,000</u>
TOTAL APPROPRIATION	(\$19,342,421,000)
	<u>\$20,228,839,000</u>

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

(1) The authority shall not accept or expend any federal funds received under a medicaid transformation waiver under healthier Washington except as described in subsections (2), (3), and (4) of this section until specifically approved and appropriated by the legislature. To ensure compliance with legislative directive budget requirements and terms and conditions of the waiver, the authority shall implement the waiver and reporting requirements with oversight from the office of financial management. The legislature finds that appropriate management of the innovation waiver requires better analytic capability, transparency, consistency, timeliness, accuracy, and lack of redundancy with other established measures and that the patient must be considered first and foremost in the implementation and execution of the demonstration waiver. In order to effectuate these goals, the authority shall: (a) Require the Dr. Robert Bree collaborative and the health technology assessment program to reduce the administrative burden upon providers by only requiring performance measures that are non-duplicative of other nationally established measures. The joint select committee on health care oversight will evaluate the measures chosen by the collaborative and the health technology assessment program for effectiveness and appropriateness; (b) develop a patient satisfaction survey with the goal to gather information about whether it was beneficial for the patient to use the center of excellence location in exchange for additional out-of-pocket savings; (c) ensure patients and health care providers have significant input into the implementation of the demonstration waiver, in order to ensure improved patient health outcomes; and (d) in cooperation with the department of social and health services, consult with and provide notification of work on applications for federal waivers, including details on waiver duration, financial implications, and potential future impacts on the state budget, to the joint select committee on health care oversight prior to submitting waivers for federal approval. The authority shall submit an application to the centers for medicaid and medicare services to extend the duration of the medicaid transformation waiver under healthier Washington as described in subsections (2), (3), and (4) of this section by one year. If not extended, by federal standard, the medicaid transformation

demonstration waiver shall not exceed the duration originally granted by the centers for medicare and medicaid services and any programs created or funded by this waiver do not create an entitlement. The demonstration period for the waiver as described in subsections (2), (3), and (4) of this section concludes December 31, 2022.

(2)(a) No more than (((\$63,052,000)) \$78,409,000 of the general fund—federal appropriation and no more than (((\$50,840,000)) \$66,264,000 of the general fund—local appropriation may be expended for transformation through accountable communities of health described in initiative 1 of the medicaid transformation demonstration wavier under healthier Washington, including preventing youth drug use, opioid prevention and treatment, and physical and behavioral health integration. Under this initiative, the authority shall take into account local input regarding community needs. In order to ensure transparency to the appropriate fiscal committees of the legislature, the authority shall provide fiscal staff of the legislature query ability into any database of the fiscal intermediary that authority staff would be authorized to access. The authority shall not increase general fund—state expenditures under this initiative. The director shall also report to the fiscal committees of the legislature all of the expenditures under this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(b) No more than (((\$243,047,000)) \$198,909,000 of the general fund—federal appropriation and no more than (((\$99,274,000)) \$81,245,000 of the general fund—private/local appropriation may be expended for the medicaid quality improvement program. Under federal regulations, the medicaid quality improvement program is authorized and allows states to design quality improvement programs for the medicaid population in ways that support the state's quality goals. Medicaid quality improvement program payments will not count against the medicaid transformation demonstration waiver spending limits and are excluded from the waiver's budget neutrality calculation. Apple health managed care organizations and their partnering providers will receive medicaid quality improvement program payments as they meet designated milestones. Partnering providers and apple health managed care organizations will work together to achieve medicaid quality improvement program goals according to the performance period timelines and reporting deadlines as set forth by the authority. The authority shall only utilize the medicaid quality improvement program to support the transformation waiver and shall not pursue its use for other purposes. Any programs created or funded by the medicaid quality improvement program does not create an entitlement. The authority shall not increase general fund—state, federal, or private/local expenditures under this program. The director shall report to the joint select committee on health care oversight not less than quarterly on financial and health outcomes. The director shall report to the fiscal committees of the legislature all of the expenditures under this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(3) No more than \$26,837,000 of the general fund—federal appropriation and \$26,839,000 of the general fund—local appropriation may be expended for tailored support for older adults and medicaid alternative care described in initiative 2 of the medicaid transformation demonstration waiver under healthier Washington as well as administrative expenses for initiative 3. The authority shall contract and provide funding to the department of social and health services to administer initiative 2. The director in cooperation with the secretary of the department of social and health services shall report to the office of financial management all of the expenditures of this section

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and shall provide such fiscal data in the time, manner, and form requested. The authority shall not increase general fund—state expenditures on this initiative.

(4) No more than ((\$50,389,000)) \$28,680,000 of the general fund—federal appropriation and no more than ((\$22,862,000)) \$12,992,000 of the general fund—local appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its third party administrator. The authority shall not increase general fund—state expenditures under this initiative. The director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(5) The authority shall submit an application to the centers for medicare and medicaid services to renew the 1115 demonstration waiver for an additional five years as described in subsections (2), (3), and (4) of this section. The authority may not accept or expend any federal funds received under an 1115 demonstration waiver except as described in this section unless the legislature has appropriated the federal funding. To ensure compliance with legislative requirements and terms and conditions of the waiver, the authority shall implement the renewal of the 1115 demonstration waiver and reporting requirements with oversight from the office of financial management. The legislature finds that appropriate management of the renewal of the 1115 demonstration waiver as set forth in subsections (6), (7), and (8) of this section requires sound, consistent, timely, and transparent oversight and analytic review in addition to lack of redundancy with other established measures. The patient must be considered first and foremost in the implementation and execution of the demonstration waiver. To accomplish these goals, the authority shall develop consistent performance measures that focus on population health and health outcomes. The authority shall limit the number of projects that accountable communities of health may participate in under initiative 1 to a maximum of six and shall seek to develop common performance measures when possible. The joint select committee on health care oversight will evaluate the measures chosen: (a) For effectiveness and appropriateness; and (b) to provide patients and health care providers with significant input into the implementation of the demonstration waiver to promote improved population health and patient health outcomes. In cooperation with the department of social and health services, the authority shall consult with and provide notification of work on applications for federal waivers, including details on waiver duration, financial implications, and potential future impacts on the state budget to the joint select committee on health care oversight prior to submitting these waivers for federal approval. Prior to final approval or acceptance of funds by the authority, the authority shall submit the special terms and conditions as submitted to the centers for medicare and medicaid services and the anticipated budget for the duration of the renewed waiver to the governor, the joint select committee on health care, and the fiscal committees of the legislature. By federal standard any programs created or funded by this waiver do not create an entitlement. The demonstration period for the waiver as described in subsections (6), (7), and (8) of this section begins January 1, 2023.

(6)(a) \$32,432,000 of the general fund—federal appropriation

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and \$40,296,000 of the general fund—local appropriation are provided solely for accountable communities of health described in initiative 1 of the 1115 demonstration waiver and this is the maximum amount that may be expended for this purpose. In renewing this initiative, the authority shall consider local input regarding community needs and shall limit total local projects to no more than six. To provide transparency to the appropriate fiscal committees of the legislature, the authority shall provide fiscal staff of the legislature query ability into any database of the fiscal intermediary that authority staff would be authorized to access. The authority shall not supplement the amounts provided in this subsection with any general fund—state moneys appropriated in this section or any moneys that may be transferred pursuant to subsection (1) of this section. The director shall report to the fiscal committees of the legislature all expenditures under this subsection and provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(b) \$110,778,000 of the general fund—federal appropriation and \$45,248,000 of the general fund—private/local appropriation are provided solely for the medicaid quality improvement program and this is the maximum amount that may be expended for this purpose. Medicaid quality improvement program payments do not count against the 1115 demonstration waiver spending limits and are excluded from the waiver's budget neutrality calculation. The authority may provide medicaid quality improvement program payments to apple health managed care organizations and their partnering providers as they meet designated milestones. Partnering providers and apple health managed care organizations must work together to achieve medicaid quality improvement program goals according to the performance period timelines and reporting deadlines as set forth by the authority. The authority may only use the medicaid quality improvement program to support initiatives 1, 2, and 3 as described in the 1115 demonstration waiver and may not pursue its use for other purposes. Any programs created or funded by the medicaid quality improvement program do not constitute an entitlement for clients or providers. The authority shall not supplement the amounts provided in this subsection with any general fund—state, general fund—federal, or general fund—local moneys appropriated in this section or any moneys that may be transferred pursuant to subsection (1) of this section. The director shall report to the joint select committee on health care oversight not less than quarterly on financial and health outcomes. The director shall report to the fiscal committees of the legislature all expenditures under this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(c) In collaboration with the accountable communities of health, the authority will submit a report to the governor and the joint select committee on health care oversight describing how each of the accountable community of health's work aligns with the community needs assessment no later than December 1, 2022.

(d) Performance measures and payments for accountable communities of health shall reflect accountability measures that demonstrate progress toward transparent, measurable, and meaningful goals that have an impact on improved population health and improved health outcomes, including a path to financial sustainability. While these goals may have variation to account for unique community demographics, measures should be standardized when possible.

(7) \$19,902,000 of the general fund—federal appropriation and \$19,903,000 of the general fund—local appropriation are provided solely for long-term support services as described in initiative 2 of the 1115 demonstration waiver as well as administrative expenses for initiative 3 and this is the maximum

amount that may be expended for this purpose. The authority shall contract with and provide funding to the department of social and health services to administer initiative 2. The director in cooperation with the secretary of the department of social and health services shall report to the office of financial management all of the expenditures of this section and shall provide such fiscal data in the time, manner, and form requested. The authority shall not supplement the amounts provided in this subsection with any general fund—state moneys appropriated in this section or any moneys that may be transferred pursuant to subsection (1) of this section.

(8)(a) \$13,235,000 of the general fund—federal appropriation and \$7,318,000 of the general fund—local appropriation are provided solely for supported housing and employment services described in initiative 3a and 3b of the 1115 demonstration waiver and this is the maximum amount that may be expended for this purpose. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its third-party administrator. The authority and the department, in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The authority shall not supplement the amounts provided in this subsection with any general fund—state moneys appropriated in this section or any moneys that may be transferred pursuant to subsection (1) of this section. The director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(b) The authority and the department shall seek additional flexibilities for housing supports through the centers for medicare and medicaid services and shall coordinate with the office of financial management and the department of commerce to ensure that services are not duplicated.

(c) The director shall report to the joint select committee on health care oversight no less than quarterly on utilization and caseload statistics for both supportive housing and employment services and its progress toward increasing uptake and availability for these services.

(9) \$202,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for supported employment services and \$208,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for supported housing services, similar to the services described in initiatives 3a and 3b of the 1115 demonstration waiver to individuals who are ineligible for medicaid. Under these initiatives, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the authority or its third-party administrator. Before authorizing services, eligibility for initiative 3a or 3b of the 1115 demonstration waiver must first be determined.

(10) The authority shall submit a plan to preserve the waiver that allows for the full cost of stays in institutions for mental diseases to be included in managed care rates by November 1, 2021, to the appropriate committees of the legislature.

((6)) (11) The authority shall submit a plan to preserve the waiver allowing for full federal financial participation for medical clients in mental health facilities classified as institutions for mental diseases by November 1, 2021, to the appropriate committees of the legislature.

((7)) (12) Sufficient amounts are appropriated in this subsection to implement the medicaid expansion as defined in the

social security act, section 1902(a)(10)(A)(i)(VIII).

((8)) (13) The legislature finds that medicaid payment rates, as calculated by the health care authority pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

((9)) (14) Based on quarterly expenditure reports and caseload forecasts, if the health care authority estimates that expenditures for the medical assistance program will exceed the appropriations, the health care authority shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

((10)) (15) In determining financial eligibility for medicaid-funded services, the health care authority is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

((11)) (16) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(17) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the health care authority shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

((12) \$3,997,000) (18) \$3,733,000 of the general fund—state appropriation for fiscal year 2022, \$4,261,000 of the general fund—state appropriation for fiscal year 2023, and ((8,786,000)) \$9,050,000 of the general fund—federal appropriation are provided solely for low-income disproportionate share hospital payments.

((13)) (19) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

((14)) (20) \$7,000,000 of the general fund—federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The health care authority shall apply federal rules for identifying the

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eligible incurred medicaid costs and the medicare upper payment limit.

((15)) (21) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2021-2023 fiscal biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The health care authority shall submit reports to the governor and legislature by November 1, 2021, and by November 1, 2022, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2022 and fiscal year 2023, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. For the purpose of determining the amount of any state grant under this subsection, payments will include the federal portion of medicaid program supplemental payments received by the hospitals. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2021-2023 biennial operating appropriations act and in effect on July 1, 2015, (b) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2019-2021 fiscal biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. ((\$702,000)) \$425,000 of the general fund—state appropriation for fiscal year 2022 and ((\$649,000)) \$391,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for state grants for the participating hospitals.

((16)) (22) The health care authority shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program

reauthorization act of 2009.

((17)) (23) The health care authority shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race. The health care authority shall prioritize evidence-based practices for delivery of maternity support services. To the extent practicable, the health care authority shall develop a mechanism to increase federal funding for maternity support services by leveraging local public funding for those services.

((18)) (24) The authority shall submit reports to the governor and the legislature by September 15, 2021, and no later than September 15, 2022, that delineate the number of individuals in medicaid managed care, by carrier, age, gender, and eligibility category, receiving preventative services and vaccinations. The reports should include baseline and benchmark information from the previous two fiscal years and should be inclusive of, but not limited to, services recommended under the United States preventative services task force, advisory committee on immunization practices, early and periodic screening, diagnostic, and treatment (EPSDT) guidelines, and other relevant preventative and vaccination medicaid guidelines and requirements.

((19)) (25) Managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

((20)) (26) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit.

((21)) (27) The health care authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

((22)) (28) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. The health care authority shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for medical assistance benefits.

((23)) (29) \$90,000 of the general fund—state appropriation for fiscal year 2022, \$90,000 of the general fund—state appropriation for fiscal year 2023, and \$180,000 of the general fund—federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program. By November 15, 2022, the authority shall submit a report to the appropriate committees to the legislature that provides, at a minimum, information about the number of calls received by the nonprofit organization in the previous year, the amount of time spent on each call, comparisons to previous years, where available, and information about what data is collected related to this service.

((24)) (30) Within the amounts appropriated in this section, the authority shall reimburse for primary care services provided by naturopathic physicians.

((25)) (31) Within the amounts appropriated in this section, the authority shall continue to provide coverage for pregnant

teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

((26)) (32) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the classic medicaid benefit plan.

((27)) (33) The authority shall use revenue appropriated from the dedicated marijuana fund for contracts with community health centers under RCW 69.50.540 in lieu of general fund—state payments to community health centers for services provided to medical assistance clients, and it is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

((28)) (34) Beginning no later than January 1, 2018, for any service eligible under the medicaid state plan for encounter payments, managed care organizations at the request of a rural health clinic shall pay the full published encounter rate directly to the clinic. At no time will a managed care organization be at risk for or have any right to the supplemental portion of the claim. Payments will be reconciled on at least an annual basis between the managed care organization and the authority, with final review and approval by the authority.

((29)) (35) Sufficient amounts are appropriated in this section for the authority to provide a medicaid equivalent adult dental benefit to clients enrolled in the medical care service program.

((30)) (36) During the 2021-2023 fiscal biennium, sufficient amounts are provided in this section for the authority to provide services identical to those services covered by the Washington state family planning waiver program as of August 2018 to individuals who:

- (a) Are over nineteen years of age;
- (b) Are at or below two hundred and sixty percent of the federal poverty level as established in WAC 182-505-0100;
- (c) Are not covered by other public or private insurance; and
- (d) Need family planning services and are not currently covered by or eligible for another medical assistance program for family planning.

((31)) (37) Sufficient amounts are appropriated within this section for the authority to incorporate the expected outcomes and criteria to measure the performance of service coordination organizations as provided in chapter 70.320 RCW into contracts with managed care organizations that provide services to clients. The authority is directed to:

(a) Contract with an external quality improvement organization to annually analyze the performance of managed care organizations providing services to clients under this chapter based on seven performance measures. The analysis required under this subsection must:

(i) Measure managed care performance in four common measures across each managed care organization, including:

(A) At least one common measure must be weighted towards having the potential to impact managed care costs; and

(B) At least one common measure must be weighted towards population health management, as defined by the measure; and

(ii) Measure managed care performance in an additional three quality focus performance measures specific to a managed care organization. Quality focus performance measures chosen by the authority must:

- (A) Be chosen from the statewide common measure set;
- (B) Reflect specific measures where a managed care organization has poor performance; and
- (C) Be substantive and clinically meaningful in promoting health status.

(b) The authority shall set the four common measures to be

analyzed across all managed care organizations.

(c) The authority shall set three quality focus performance measures specific to each managed care organization. The authority must determine performance measures for each managed care organization based on the criteria established in (a)(ii) of this subsection.

(d) By September 15, 2021, and annually thereafter, the authority shall notify each managed care organization of the performance measures for the organization for the subsequent plan year.

(e) Two percent of the total plan year funding appropriated to each managed care organization that provides services to clients under chapter 70.320 RCW shall be withheld. At least seventy-five percent of the withhold shall be held contingent on each managed care organization's performance on the seven performance measures identified in this section. Each managed care organization may earn back the annual withhold if the external quality improvement organization finds that the managed care organization:

(i) Made statistically significant improvement in the seven performance measures as compared to the preceding plan year; or

(ii) Scored in the top national medicaid quartile of the performance measures.

(f) The amount of withhold annually paid to each managed care organization shall be proportional to findings of statistically significant improvement or top national medicaid quartile scoring by a managed care organization.

(g) For no more than two of the four quality focus performance measures, the authority may use an alternate methodology to approximate top national medicaid quartile performance where top quartile performance data is unavailable.

(h) For the purposes of this subsection, "external quality improvement organization" means an organization that meets the competence and independence requirements under 42 C.F.R. Sec. 438.354, as it existed on the effective date of this section.

((32)) (38)(a) The authority shall ensure that appropriate resources are dedicated to implementing the recommendations of the centers for medicare and medicaid services center for program integrity as provided to the authority in the January 2019 Washington focused program integrity review final report. Additionally, the authority shall:

(i) Work to ensure the efficient operations of the managed care plans, including but not limited to, a deconflicting process for audits with and among the managed care plans and the medicaid fraud division at the attorney general's office, to ensure the authority staff perform central audits of cases that appear across multiple managed care plans, versus the audits performed by the individual managed care plans or the fraud division; and

(ii) Remain accountable for operating in an effective and efficient manner, including performing program integrity activities that ensure high value in the medical assistance program in general and in medicaid managed care specifically;

(A) Work with its contracted actuary and the medicaid forecast work group to develop methods and metrics related to managed care program integrity activity that shall be incorporated into annual rate setting; and

(B) Work with the medicaid forecast work group to ensure the results of program integrity activity are incorporated into the rate setting process in a transparent, timely, measurable, quantifiable manner.

(b) The authority shall submit a report to the governor and appropriate committees of the legislature by October 1, 2021, that includes, but is not limited to:

(i) Specific, quantified actions that have been taken, to date, related to the recommendations of the centers for medicare and medicaid services center for program integrity as provided to the

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authority in the January 2019 Washington focused program integrity review final report; and

(ii) Specific, quantified information regarding the steps taken toward (a)(i), (iii), and (iv) of this subsection.

((33)) (39) No later than December 31, 2021, the health care authority, in partnership with the department of social and health services as described in section 204(16) of this act, shall submit a waiver request to the federal department of health and human services to authorize presumptive medicaid eligibility determinations for clients preparing for acute care hospital discharge who may need long-term services and supports. The department and the authority shall hold stakeholder discussions, including opportunities for public review and comment, during development of the waiver request. Upon submission of the waiver request, the department and the authority shall submit a report to the governor and the appropriate legislative committees that describes the request and identifies any statutory changes that may be necessary if the federal government approves the request.

((34)) (40) \$2,786,000 of the general fund—state appropriation for fiscal year 2022, \$3,714,000 of the general fund—state appropriation for fiscal year 2023, and \$11,009,000 of the general fund—federal appropriation are provided solely to maintain and increase access for behavioral health services through increased provider rates. The rate increases are effective October 1, 2021, and must be applied to the following codes for children and adults enrolled in the medicaid program: 90832, 90833, 90834, 90837, H0004, H0036, H2015, H2021, H0023, 90836, 90838, 96156, 96158, 96159, 96164, 96165, 96167, 96168, 96170, 96171, 90845, 90846, 90847, 90849, 90853, 90785, and 90791. The authority may use a substitute code in the event that any of the codes identified in this subsection are discontinued and replaced with an updated code covering the same service. Within the amounts provided in this subsection the authority must:

(a) Implement this rate increase in accordance with the process established in chapter 285, Laws of 2020 (EHB 2584) (behavioral health rates);

(b) Raise the state fee-for-service rates for these codes by up to 15 percent, except that the state medicaid rate may not exceed the published medicare rate or an equivalent relative value unit rate if a published medicare rate is not available;

(c) Require in contracts with managed care organizations that, beginning October 2021, managed care organizations pay no lower than the fee-for-service rate for these codes, and adjust managed care capitation rates accordingly; and

(d) Not duplicate rate increases provided in subsections ((35) and (36)) (41) and (42) of this section.

((35)) (41) \$19,664,000 of the general fund—state appropriation for fiscal year 2022, \$26,218,000 of the general fund—state appropriation for fiscal year 2023, and \$77,996,000 of the general fund—federal appropriation are provided solely to maintain and increase access for primary care services for medicaid-enrolled patients through increased provider rates beginning October 1, 2021. Within the amounts provided in this subsection the authority must:

(a) Increase the medical assistance rates for adult primary care services that are reimbursed solely at the existing medical assistance rates on a fee-for-service basis, as well as through managed care plans, by at least 15 percent above medical assistance rates in effect on January 1, 2019;

(b) Increase the medical assistance rates for pediatric primary care services that are reimbursed solely at the existing medical assistance rates on a fee-for-service basis, as well as through managed care plans, by at least 21 percent above medical assistance rates in effect on January 1, 2019;

(c) Increase the medical assistance rates for pediatric critical care, neonatal critical care, and neonatal intensive care services that are reimbursed solely at the existing medical assistance rates on a fee-for-service basis, as well as through managed care plans, by at least 21 percent above medical assistance rates in effect on January 1, 2019;

(d) Apply reimbursement rates required under this subsection to payment codes in a manner consistent with the temporary increase in medicaid reimbursement rates under federal rules and guidance in effect on January 1, 2014, implementing the patient protection and affordable care act, except that the authority may not require provider attestations;

(e) Pursue state plan amendments to require medicaid managed care organizations to increase rates under this subsection through adoption of a uniform percentage increase for network providers pursuant to 42 C.F.R. Sec. 438.6(c)(1)(iii)(B), as existing on January 1, 2019; and

(f) Not duplicate rate increases provided in subsections ((34) and (36)) (40) and (42) of this section.

((36)) (42) \$2,233,000 of the general fund—state appropriation for fiscal year 2022, \$2,977,000 of the general fund—state appropriation for fiscal year 2023, and \$10,871,000 of the general fund—federal appropriation are provided solely to increase provider rates to maintain and increase access for family planning services for patients seeking services through department of health sexual and reproductive health program family planning providers. The rate increases are effective October 1, 2021, and must be applied to the following codes for eligible apple health and family planning only clients seeking services through department of health sexual and reproductive health program providers: 36415, 36416, 55250, 57170, 58340, 58600, 58605, 58611, 58615, 58670, 58671, 59840, 59841, 59850, 59851, 59852, 59855, 59856, 59857, 76817, 81025, 84702, 84703, 86631, 86632, 86901, 87110, 87270, 87320, 87490, 87491, 87590, 87591, 87624, 87625, 87800, 87810, 88141, 88142, 88143, 88147, 88148, 88150, 88152, 88153, 88164, 88165, 88166, 88167, 88174, 88175, 96372, 99071, 99201, 99202, 99203, 99204, 99211, 99212, 99213, 99214, 99384, 99385, 99386, 99394, 99395, 99396, 99401, and S0199. The authority may use a substitute code if any of the codes identified in this subsection are discontinued and replaced with an updated code covering the same service. Within the amounts provided in this subsection the authority must:

(a) Increase the family planning rates for services that are included on and reimbursed solely at the existing family planning fee schedule on a fee-for-service basis, as well as through managed care plans, by at least 162 percent above family planning fee schedule rates in effect on January 1, 2021;

(b) Pursue state plan amendments to require medicaid managed care organizations to increase rates under this subsection through adoption of a uniform percentage increase for network providers pursuant to 42 C.F.R. Sec. 438.6(c)(1)(iii)(B), as existing on January 1, 2021; and

(c) Not duplicate rate increases provided in subsections ((34) and (35)) (40) and (41) of this section.

((37)) (43)(a) Beginning with fiscal year 2020, and for each subsequent year thereafter, the authority shall reconcile on an annual basis with rural health clinics.

(b) Beginning with fiscal year 2020, and for each subsequent year thereafter, the authority shall properly accrue for any anticipated reconciliations with rural health clinics during the fiscal year close process following generally accepted accounting practices.

((38)) (44)(a) The authority in collaboration with the office of financial management and representatives from fiscal

committees of the legislature shall conduct an evaluation of the APM4 model to determine its cost effectiveness and impact on patient outcomes and report its findings and recommendations to the appropriate committees of the legislature by November 15, 2022.

(b) The authority shall not enter into any future value-based arrangements with federally qualified health centers or rural health clinics prior to receiving approval from the office of financial management and the appropriate committees of the legislature.

(c) The authority shall not modify the reconciliation process or the APM4 program with federally qualified health centers or rural health clinics without notification to and the opportunity to comment from the office of financial management.

(d) The authority shall require all managed care organizations to provide information to the authority to account for all payments to federally qualified health centers to include how payments are made, including any additional payments and whether there is a sub-capitation arrangement or value-based purchasing arrangement.

(e) Beginning with fiscal year 2021 and for each subsequent year thereafter, the authority shall reconcile on an annual basis with federally qualified health centers contracting under APM4.

(f) Beginning with fiscal year 2021 and for each subsequent year thereafter, the authority shall properly accrue for any anticipated reconciliations with federally qualified health centers contracting under APM4 during the fiscal year close process following generally accepted accounting practices.

((39)) (45) Within the amounts appropriated in this section, the authority is to include allergen control bed and pillow covers as part of the durable medical equipment benefit for children with an asthma diagnosis enrolled in medical assistance programs.

((40)) (46) Within the amounts appropriated in this section, the authority shall reimburse for maternity services provided by doulas.

((41)) (47) \$60,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—federal appropriation are provided solely for evaluation of the Washington rural health access preservation pilot program.

((42)) (48) \$160,000 of the general fund—state appropriation for fiscal year 2022 and \$1,440,000 of the general fund—federal appropriation are provided solely for health care interoperability costs and are subject to the conditions, limitations, and review provided in section 701 of this act.

((43)) (49) \$275,000 of the general fund—state appropriation for fiscal year 2022, \$160,000 of the general fund—state appropriation for fiscal year 2023, and \$3,913,000 of the general fund—federal appropriation are provided solely for modular replacement costs of the ProviderOne pharmacy point of sale system and are subject to the conditions, limitations, and review provided in section 701 of this act.

((44)) (50) \$484,000 of the general fund—state appropriation for fiscal year 2022 and \$466,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Engrossed Second Substitute Senate Bill No. 5399 (universal health care commission). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

((45)) (51) \$654,000 of the general fund—state appropriation for fiscal year 2022, \$655,000 of the general fund—state appropriation for fiscal year 2023, and \$2,154,000 of the general fund—federal appropriation are provided solely for the authority to increase the nonemergency medical transportation broker administrative rate to ensure access to health care services for medicaid patients.

((46)) (52) \$1,715,000 of the general fund—state

appropriation for fiscal year 2022, \$1,804,000 of the general fund—state appropriation for fiscal year 2023, and \$6,647,000 of the general fund—federal appropriation are provided solely to increase the rates paid to rural hospitals that meet the criteria in (a) through (((d))) (e) of this subsection. Payments for state and federal medical assistance programs for services provided by such a hospital, regardless of the beneficiary's managed care enrollment status, must be increased to 150 percent of the hospital's fee-for-service rates. The authority must discontinue this rate increase after June 30, 2023, and return to the payment levels and methodology for these hospitals that were in place as of January 1, 2018. Hospitals participating in the certified public expenditures program may not receive increased reimbursement for inpatient services. Hospitals qualifying for this rate increase must:

(a) Be certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013;

(b) Have had less than 150 acute care licensed beds in fiscal year 2011;

(c) Have a level III adult trauma service designation from the department of health as of January 1, 2014;

(d) Be owned and operated by the state or a political subdivision; and

(e) Accept single bed certification patients pursuant to RCW 71.05.745 by July 1, 2022. If the hospitals qualifying for this rate increase do not accept single bed certification patients by July 1, 2022, the authority must discontinue this rate increase after October 1, 2022, and must return to the payment levels and methodology for these hospitals that were in place as of January 1, 2018.

((47)) (53) \$100,000 of the general fund—state appropriation for fiscal year 2022, \$100,000 of the general fund—state appropriation for fiscal year 2023, and \$200,000 of the general fund—federal appropriation are provided solely for pass through funding for a citizens of the compact of free association (COFA) community member led organization through a Washington state based organization contract as outlined in RCW 43.71A.030 to provide additional supports to COFA community members statewide who are seeking access to health coverage and health care services. The amounts provided in this subsection for fiscal year 2022 must be distributed no later than October 1, 2021. The amounts provided in this subsection for fiscal year 2023 must be distributed no later than October 1, 2022.

((48)) (54) The authority shall collaborate with the Washington state LGBTQ commission, the department of health, advocates for people living with HIV in Washington, consumers, and medical professionals with expertise in serving the medicaid population living with HIV, to consider and develop recommendations regarding:

(a) Access to HIV antiretroviral drugs on the medicaid drug formulary, including short- and long-term fiscal implications of eliminating current prior authorization and fail-first requirements;

(b) Impact of drug access on public health and the statewide goal of reducing HIV transmissions; and

(c) Maximizing pharmaceutical drug rebates for HIV antiretroviral drugs.

((49)) (55) \$22,000 of the general fund—state appropriation for fiscal year 2022, \$22,000 of the general fund—state appropriation for fiscal year 2023, and \$134,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5157 (behavioral disorders/justice). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

((50)) (56) Within the amounts appropriated in this section, the authority shall extend the oral health connections pilot project in Spokane, Thurston, and Cowlitz counties. The authority shall

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continue to work in collaboration with a state-based oral health foundation to jointly develop and implement the program. The purpose of the pilot is to test the effect that enhanced dental benefits for medicaid clients with diabetes and pregnant clients have on access to dental care, health outcomes, and medical care costs. The pilot program must continue to include enhanced reimbursement rates for participating dental providers, including denturists licensed under chapter 18.30 RCW, and an increase in the allowable number of periodontal treatments to up to four per calendar year. The authority has the option of extending pilot program eligibility to dually eligible medicaid clients who are diabetic or pregnant and to pregnant medicaid clients under the age of 20. The authority has the option of adjusting the pilot program benefit design and fee schedule based on previous findings, within amounts appropriated in this section. Diabetic or pregnant medicaid clients who are receiving dental care within the pilot regions, regardless of location of the service within the pilot regions, are eligible for the increased number of periodontal treatments. The state-based oral health foundation shall continue to partner with the authority and provide wraparound services to link patients to care. The authority and foundation shall provide a joint report to the appropriate committees of the legislature on October 1, 2021, outlining the findings of the original three-year pilot program, and on December 1, 2022, outlining the progress of the extended pilot program.

((51)) (57)(a) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—federal appropriation are provided solely for contracting with the office of equity to implement chapter 293, Laws of 2020 (baby, child dentistry access). By November 15, 2021, the authority shall submit a report to the appropriate committees to the legislature describing its progress implementing chapter 293, Laws of 2020 (baby, child dentistry access) and chapter 242, Laws of 2020 (access to baby and child dentistry for children with disabilities).

(b) \$200,000 of the general fund—state appropriation for fiscal year 2023 and \$200,000 of the general fund—federal appropriation are provided solely for the authority to contract with access to baby and child dentistry local programs for the purpose of maintaining and expanding capacity for local program coordinators. The goals of this contracting include, but are not limited to, reducing racial and ethnic disparities in access to care and oral health outcomes, increasing the percentage of medicaid-enrolled children under the age of two accessing dental care, and continued provider engagement and outreach. The authority may contract with the office of equity and other statewide and local equity partners to provide training and identify activities and deliverables.

((52)) (58) \$75,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—federal appropriation are provided solely for contracting by the health care authority to further the development and implementation of its Washington primary care transformation initiative, intended to increase team-based primary care and the percentage of overall health care spending in the state devoted to primary care. By October 1, 2021, the authority must update the legislature on the status of the initiative, including any fiscal impacts of this initiative, potential implementation barriers, and needed legislation.

((53)) (59) Sufficient funds are provided to continue reimbursing dental health aid therapists for services performed in tribal facilities for medicaid clients. The authority must leverage any federal funding that may become available as a result of appeal decisions from the centers for medicare and medicaid services or the United States court of appeals for the ninth circuit.

((54)) (60) \$149,000 of the general fund—state appropriation for fiscal year 2022 and \$140,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Engrossed Second Substitute Senate Bill No. 5377 (standardized health plans). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

((55)) (61) Within the amount appropriated within this section, the authority shall implement the requirements of Substitute Senate Bill No. 5068 (postpartum period/medicaid) and the American rescue plan act of 2021, P.L. 117-2, in extending health care coverage during the postpartum period. The authority shall make every effort to expedite and complete eligibility determinations for individuals who are likely eligible to receive health care coverage under Title XIX or Title XXI of the federal social security act to ensure the state is receiving maximum federal match. This includes, but is not limited to, working with managed care organizations to provide continuous outreach in various modalities until the individual's eligibility determination is completed. Beginning June 1, 2022, the authority must submit quarterly reports to the caseload forecast work group on the number of individuals who are likely eligible to receive health care coverage under Title XIX or Title XXI of the federal social security act but are waiting for the authority to complete eligibility determination, the number of individuals who were likely eligible but are now receiving health care coverage with the maximum federal match under Title XIX or Title XXI of the federal social security act, and outreach activities including the work with managed care organizations.

((56)) (62) \$10,695,000 of the general fund—state appropriation for fiscal year 2022, \$10,695,000 of the general fund—state appropriation for fiscal year 2023, and \$54,656,000 of the general fund—federal appropriation are provided solely to maintain and increase access for adult dental services for medicaid enrolled patients through increased provider rates beginning July 1, 2021. Within the amounts provided in this subsection, the authority must increase the medical assistance rates for adult dental services that are reimbursed solely at the existing medical assistance rates on a fee-for-service basis up to 100 percent above medical assistance rates in effect on January 1, 2019.

((57)) (63) \$551,000 of the general fund—state appropriation for fiscal year 2022, \$770,000 of the general fund—state appropriation for fiscal year 2023, and \$3,288,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute Senate Bill No. 5195 (opioid overdose medication). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

((58)) (64) The authority must claim the enhanced federal medical assistance participation rate for home and community-based services offered under section 9817 of the American rescue plan act of 2021 (ARPA). Appropriations made that constitute supplementation of home and community-based services as defined in section 9817 of ARPA are listed in the LEAP omnibus document HCBS-2021.

((59)) (65) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to continue a public-private partnership with a state-based oral health foundation to connect medicaid patients to dental services and reduce barriers to accessing care. The authority shall submit a progress report to the appropriate committees of the legislature by June 30, 2022.

((60)) (66)(a) \$35,000,000 of the coronavirus state fiscal recovery ((account)) fund—federal appropriation is provided solely for the authority to distribute grants for the provision of

health care services for uninsured and underinsured individuals, regardless of immigration status. Grants provided under this subsection must be used for the direct care of uninsured and underinsured individuals under 200 percent of the federal poverty level, including on-site care as well as referrals to and payment for services provided off-site, for:

(i) The testing, assessment, or treatment of the severe acute respiratory syndrome coronavirus 2 (COVID-19), including facility and provider fees;

(ii) Primary and preventive care;

(iii) Behavioral health services;

(iv) Oral health care;

(v) Assessment, treatment, and management of acute or chronic conditions, including but not limited to the cost of laboratory, prescription medications, specialty care, therapies, radiology, and other diagnostics; and

(vi) Outreach and education needed to inform patients and prospective patients that care is available free of charge.

(b) To be eligible for a grant under this subsection, a federally qualified health center, rural health clinic, free clinic, public hospital district, behavioral health provider or facility, behavioral health administrative service organization, or community-based organization must apply for a grant and agree to not:

(i) Bill individuals for any portion of the services provided that involve the use of amounts appropriated in this section; or

(ii) Use the amounts provided in this subsection for services for which other funds are available, such as federal funds from the families first coronavirus response act and the American rescue plan act.

(c) Grants provided under this subsection may be used to provide on-site care, care delivered via telehealth, and referrals to and payments for services provided off-site. Recipients may use funds distributed in this subsection to reimburse other providers or facilities for the cost of care. Only free clinics may use grants provided under this subsection to cover general operating costs, including staffing, supplies, and equipment purchases.

(d) The agency shall employ fund allocation approaches that engage community residents, organizations, and leaders in identifying priorities and implementing projects and initiatives that reflect community values and priorities. At a minimum, this must include consultation with community health boards and organizations that advocate for access to health care for uninsured state residents.

(e) Recipients of the amounts provided in this subsection must submit reports to the authority on the use of grant funds, including data about utilization of services. The authority shall prepare and post on its website an annual report detailing the amount of funds disbursed and aggregating information submitted by recipients.

(f) The authority may retain no more than three percent of the amounts provided in this subsection for administrative costs.

(g) As used in this subsection, "free clinics" mean private, nonprofit, community, or faith-based organizations that provide medical, dental, and mental health services at little or no cost to uninsured and underinsured people through the use of volunteer health professionals, community volunteers, and partnerships with other health providers.

((61)) (67) \$123,000 of the general fund—state appropriation for fiscal year 2022, \$46,000 of the general fund—state appropriation for fiscal year 2023, and \$743,000 of the general fund—federal appropriation are provided solely for the implementation of Substitute House Bill No. 1348 (incarcerated persons/medical). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(62)) (68) \$1,350,000 of the general fund—state appropriation for fiscal year 2023 and \$2,570,000 of the general fund—federal appropriation are provided solely for the implementation of

House Bill No. 1096 (nonmedicare plans). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(63)) (69) Within the amounts provided in this section, sufficient funding is provided for the authority to implement Second Substitute House Bill No. 1325 (behavioral health/youth).

((64)) (70) \$184,000 of the general fund—state appropriation for fiscal year 2022 and \$175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute House Bill No. 1196 (audio-only telemedicine). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(65)) (71) \$232,000 of the general fund—state appropriation for fiscal year 2022, \$300,000 of the general fund—state appropriation for fiscal year 2023, and \$599,000 of the general fund—federal appropriation are provided solely for reimbursement for a social worker as part of the medical assistance home health benefit.

((66)) (72) \$1,303,000 of the general fund—state appropriation for fiscal year 2022 and \$285,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5203 (generic prescription drugs). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(67)) (73) \$18,669,000 from the Indian health improvement reinvestment account is provided solely for Indian health improvement advisory plan projects, programs, and activities authorized by RCW 43.71B.030.

((68)) (74) \$434,000 of the general fund—state appropriation for fiscal year 2022 and \$489,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to partner with the department of social and health services to create surge capacity in acute care hospitals by supporting non-citizens who are both in acute care hospitals awaiting discharge and on the department of social and health services waitlist for services. The amounts provided in this subsection are for the authority to cover the cost of medical assistance for 20 new non-citizen clients.

((69)) (75) \$25,000 of the general fund—state appropriation for fiscal year 2022 and \$25,000 of the general fund—federal appropriation are provided solely for the authority to develop an implementation plan to incorporate medical and psychiatric respite care as statewide medicaid benefits. The plan must include an analysis of the cost effectiveness of providing medical and psychiatric respite care benefits for medicaid enrollees. In developing the plan, the authority shall consult with interested stakeholders, including medicaid managed care organizations, community health centers, organizations providing respite care, and hospitals. Amounts provided in this subsection may be used for staff support and one-time contracting. No later than January 15, 2022, the authority shall report its findings to the relevant committees of the legislature, the office of the governor, and the office of financial management.

((70)) (76) \$281,000 of the general fund—state appropriation for fiscal year 2022, \$192,000 of the general fund—state appropriation for fiscal year 2023, and \$803,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5304 (reentry services). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(71)) (77)(a) The authority shall assess the feasibility and fiscal impacts of an 1115 medicaid waiver to extend continuous eligibility for apple health covered children ages zero through five as a component of school readiness. The authority may seek support for the analysis. Prior to submitting the waiver

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application, the authority shall provide a status update no later than September 30, 2021, to the governor and fiscal committees of the legislature.

(b) \$6,090,000 of the general fund—state appropriation for fiscal year 2023 and \$6,125,000 of the general fund—federal appropriation are provided solely for the authority to extend continuous eligibility for apple health to children ages zero to six with income at or below 215 percent of the federal poverty level. The centers for medicare and medicaid services must approve the 1115 medicaid waiver prior to the implementation of this policy.

(78) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the perinatal support warm line to provide peer support, resources, and referrals to new and expectant parents and people in the emotional transition to parenthood experiencing, or at risk of, postpartum depression or other mental health issues.

(79) Sufficient funding is provided to remove the asset test from the medicare savings program review process.

(80) \$77,000 of the general fund—state appropriation for fiscal year 2022 and \$286,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 1728 (insulin work group reauth.). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(81) Sufficient funding is provided to eliminate the mid-certification review process for the aged, blind, or disabled and housing and essential needs referral programs.

(82) \$103,000 of the general fund—state appropriation for fiscal year 2022, \$253,000 of the general fund—state appropriation for fiscal year 2023, and \$2,724,000 of the general fund—federal appropriation are provided solely for the authority to procure an electronic consent management solution for patients and health care providers to exchange health-related information and are subject to the conditions, limitations, and review requirements of section 701 of this act.

(83) \$1,788,000 of the general fund—state appropriation for fiscal year 2022, \$1,788,000 of the general fund—state appropriation for fiscal year 2023, and \$994,000 of the general fund—federal appropriation are provided solely for electronic health record expansion that must be based on the operational and technical needs necessary to implement the national 988 system and are subject to the conditions, limitations, and review requirements of section 701 of this act. As a condition of funding under this subsection, the authority must complete all reporting required under RCW 71.24.898.

(84) \$3,250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to make information technology system and provider network upgrades necessary for the anticipated expansion of medicaid equivalent health care coverage for uninsured adults with incomes up to 138 percent of the federal poverty level regardless of immigration status in collaboration with the department of social and health services and is subject to the conditions, limitations, and review provided in section 701 of this act.

(85) \$10,406,000 of the general fund—state appropriation for fiscal year 2023 and \$10,715,000 of the general fund—federal appropriation are provided solely to maintain and increase access for children's dental services for medicaid enrolled patients through increased provider rates beginning January 1, 2023. Within the amounts provided in this subsection, the authority must increase the medical assistance rates for children's dental services that are reimbursed solely at the existing medical assistance rates on a fee-for-service basis as follows:

(a) Increase the rates for codes for the access to baby and child dentistry (ABCD) program by 40 percent;

(b) Increase the rates for codes for children's dental program rates for persons aged zero to 20 years old that have a corresponding ABCD code to the current ABCD code rate, plus an additional 10 percent rate increase; and

(c) Increase the rates for codes for children's dental program rates for persons aged zero to 20 years old without a corresponding ABCD code to 70 percent of the medical assistance rates on a fee-for-service basis for adult dental services in effect on January 1, 2022. This increase does not apply to codes with rates already greater than 70 percent of the adult dental services rate.

(86) \$250,000 of the general fund—state appropriation for fiscal year 2023 and \$250,000 of the general fund—federal appropriation are provided solely for the authority to conduct a feasibility study for planning, design, implementation, and administration of a case management solution that supports acquisition, storage, and retrieval of data and data analysis pursuant to *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States district court for the western district of Washington, cause no. 14-cv-00178-MJP.

(87) \$56,000 of the general fund—state appropriation for fiscal year 2022 and \$1,548,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for health information technology and evaluations necessary to support the 1115 demonstration waiver as it relates to institutions for mental diseases and are subject to the conditions, limitations, and review requirements of section 701 of this act.

(88) \$272,000 of the general fund—state appropriation for fiscal year 2023 and \$149,000 of the general fund—federal appropriation are provided solely to align services provided through both fee-for-service and managed care to the bright futures guidelines, or a comparable schedule, for early and periodic screening, diagnosis, and treatment beginning January 1, 2023.

(89) \$3,174,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5745 (personal needs allowance). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(90) \$297,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5589 (primary care spending). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(91) \$1,460,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute Senate Bill No. 5532 (Rx drug affordability board). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(92) \$61,000 of the general fund—state appropriation for fiscal year 2023 and \$183,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute Senate Bill No. 5736 (minors/behavioral health). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(93) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to design a standardized payment methodology for a palliative care benefit for the state medicaid program and the employee and retiree benefits programs. The authority may contract with a third party to design the palliative care model and complete the work required in this subsection.

(94) Within the amounts appropriated in this section, the authority shall develop a state plan amendment, rules, and payment policies; complete necessary system changes related to

payment processing and provider enrollment; and update managed care contracts and provider communications in anticipation of providing an adult acupuncture benefit.

(95) Within the amounts appropriated in this section, the authority shall develop a state plan amendment, rules, and payment policies; complete necessary system changes related to payment processing and provider enrollment; and update managed care contracts and provider communications in anticipation of providing an adult chiropractic benefit.

(96) \$640,000 of the general fund—state appropriation for fiscal year 2023 and \$655,000 of the general fund—federal appropriation are provided solely for a 20 percent rate increase, effective January 1, 2023, for in-home private duty nursing agencies.

(97) \$180,000 of the general fund—state appropriation for fiscal year 2023 and \$187,000 of the general fund—federal appropriation are provided solely for a 10 percent rate increase, effective January 1, 2023, for private duty nursing in medically intensive children's group home settings.

(98) \$140,000 of the general fund—state appropriation for fiscal year 2023 and \$266,000 of the general fund—federal appropriation are provided solely for a 10 percent rate increase, effective January 1, 2023, for home health services.

(99)(a) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to provide a report on psilocybin services wellness and opportunities in consultation with stakeholders as described in this subsection.

(b) The director of the authority, or the director's designee, must chair the stakeholder group.

(c) The stakeholder group must include, but not be limited to, the following members:

(i) The secretary of the department of health or the secretary's designee;

(ii) The director of the liquor and cannabis board or the director's designee;

(iii) The director of the department of agriculture or the director's designee; and

(iv) As appointed by the director of the authority, or the director's designee:

(A) A military veteran, or representative of an organization that advocates on behalf of military veterans, with knowledge of psilocybin;

(B) Up to two recognized indigenous practitioners with knowledge of the use of psilocybin or other psychedelic compounds in their communities;

(C) An individual with expertise in disability rights advocacy;

(D) A member of the nursing profession with knowledge of psilocybin;

(E) A psychologist with knowledge of psilocybin;

(F) A mental health counselor, marriage and family therapist, or social worker with knowledge of psilocybin;

(G) A physician with knowledge of psilocybin;

(H) A health researcher with expertise in health equity;

(I) A representative of the cannabis industry with knowledge of regulation of cannabis businesses in Washington;

(J) An advocate from the LGBTQIA community with knowledge of the experience of behavioral health issues within that community;

(K) A member of the psychedelic medicine alliance of Washington; and

(L) Up to two members with lived experience of utilizing psilocybin.

(d) The authority must convene the first meeting of the stakeholder group no later than June 30, 2022.

(e) The authority must provide a preliminary brief report to the governor and appropriate committees of the legislature by December 1, 2022, focusing on (f)(i), (ii), and (iii) of this subsection, and a final report by December 1, 2023. The authority may form subcommittees within the stakeholder group and adopt procedures necessary to facilitate its work.

(f) The duties of the authority in consultation with the stakeholder group shall include, but not be limited to, the following activities:

(i) Review the Oregon health authority's proposed rules for the regulation of psilocybin and assess the impact the adoption of substantially similar laws and rules or Senate Bill No. 5660 would have in Washington state, and identify specific areas where a different approach may be necessary or desirable;

(ii) Review systems and procedures established by the liquor and cannabis board to monitor manufacturing, testing, and tracking of cannabis to determine suitability and adaptations required for use with psilocybin if Washington adopts legislation substantially similar to the Oregon psilocybin services act or Senate Bill No. 5660;

(iii) Review the social opportunity program proposed in Senate Bill No. 5660 for the purpose of recommending improvements or enhancements to promote equitable access to a potential legal psilocybin industry within an operable administrative framework;

(iv) Assess functional requirements of Senate Bill No. 5660 that would exceed the expertise and capacity of the department of health and identify opportunities for development or collaboration with other state agencies and entities to meet the requirements; and

(v) Discuss options to integrate licensed behavioral health professionals into the practice of psilocybin therapy under the framework of Senate Bill No. 5660 where appropriate.

(g) The department of health, liquor and cannabis board, and department of agriculture must provide subject matter expertise and support to stakeholder group and any subcommittee meetings of the stakeholder group. For the department of health, subject matter expertise includes an individual or individuals with knowledge and experience with rulemaking, with the regulation of health professionals, and with the regulation of health facilities.

(h) Meetings of the stakeholder group under this section shall be open to participation by members of the public.

(i) Stakeholder group members participating on behalf of an employer, governmental entity, or other organization are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(100) \$24,600,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the authority to provide one-time funding to community health centers paid under either APM3 or APM4 that experienced overpayments because of COVID-19 service-related reductions or had funds withheld due to missing targeted benchmarks because of extraordinary community pandemic response needs in calendar year 2020.

(101) \$250,000 of the general fund—state appropriation for fiscal year 2023 and \$250,000 of the general fund—federal appropriation are provided solely for project management and contracting to assist the authority with post-eligibility review planning in anticipation of the end of the COVID-19 public health emergency.

(102) \$40,000 of the general fund—state appropriation for fiscal year 2022, \$40,000 of the general fund—state appropriation for fiscal year 2023, \$80,000 of the general fund—federal appropriation, and \$320,000 of the telebehavioral access

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account—state appropriation are provided solely for additional staff support for the mental health referral service for children and teens.

(103)(a) \$2,087,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to establish a two-year grant program for reimbursement for services to patients up to age 18 provided by community health workers in primary care clinics whose patients are significantly comprised of pediatric patients enrolled in medical assistance under chapter 74.09 RCW beginning January 1, 2023. Community health workers funded under this subsection may provide outreach, informal counseling, and social supports for health-related social needs. The authority shall seek a state plan amendment or federal demonstration waiver should they determine these services are eligible for federal matching funds. Within the amounts provided within this subsection, the authority will provide an initial report to the governor and appropriate committees of the legislature by January 1, 2024, and a final report by January 1, 2025. The report shall include, but not be limited to, the quantitative impacts of the grant program, how many community health workers are participating in the grant program, how many clinics these community health workers represent, how many clients are being served, and evaluation of any measurable health outcomes identified in the planning period prior to January 2023.

(b) In collaboration with key stakeholders including pediatric primary care clinics and medicaid managed care organizations, the authority shall explore longer term, sustainable reimbursement options for the integration of community health workers in primary care to address the health-related social needs of families, including approaches to incorporate federal funding.

(104)(a) No more than \$156,707,000 of the general fund—federal appropriation and no more than \$60,942,000 of the general fund—local appropriation may be expended for an outpatient directed payment program.

(b) The authority shall:

(i) Design the program to support the state's access and other quality of care goals and to not increase general fund—state expenditures;

(ii) Seek approval from the centers for medicare and medicaid services to create a medicaid outpatient directed payment program for hospital outpatient services provided to medicaid program managed care recipients by University of Washington medical center and harborview medical center;

(iii) Upon approval, direct managed care organizations to make payments to eligible providers at levels required to ensure enrollees have timely access to critical high-quality care as allowed under 42 C.F.R. 438.6(c); and

(iv) Increase medicaid payments for hospital outpatient services provided by University of Washington medical center and harborview medical center to the average payment received from commercial payers.

(c) Any incremental costs incurred by the authority in the development, implementation, and maintenance of this program shall be the responsibility of the participating hospitals.

(d) Participating hospitals shall retain the full amount of payments provided under this program.

(e) Participating hospitals will provide the local funds to fund the required nonfederal contribution.

(f) This program shall be effective as soon as administratively possible.

(105) \$70,000 of the general fund—state appropriation for fiscal year 2023 and \$65,000 of the general fund—federal appropriation are provided solely for the authority to collaborate with the department of health and the University of Washington to develop a licensure and regulatory program for behavioral

health support specialists consistent with the provisions in Engrossed Second Substitute Senate Bill No. 5884 (behavioral health support).

(106) \$16,000 of the general fund—state appropriation for fiscal year 2022, \$31,000 of the general fund—state appropriation for fiscal year 2023, and \$420,000 of the general fund—federal appropriation are provided solely for a technology solution for an authoritative client identifier, or master person index, for state programs within the health and human services coalition to uniformly identify clients across multiple service delivery systems. The coalition will clearly identify all state programs impacted by and all fund sources used in development and implementation of this project. This subsection is subject to the conditions, limitations, and review requirements of section 701 of this act.

(107) \$5,000 of the general fund—state appropriation for fiscal year 2022, \$22,000 of the general fund—state appropriation for fiscal year 2023, and \$75,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute Senate Bill No. 5664 (forensic competency hearings). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(108)(a) \$3,735,000 of the general fund—state appropriation for fiscal year 2023 and \$14,075,000 of the general fund—federal appropriation are provided solely for the authority to provide coverage for all federal food and drug administration-approved HIV antiviral drugs without prior authorization beginning January 1, 2023.

(b) Beginning January 1, 2023, upon initiation or renewal of a contract with the authority to administer a medicaid managed care plan, a managed health care system shall provide coverage without prior authorization for all federal food and drug administration-approved HIV antiviral drugs.

(c) By December 1, 2022, and annually thereafter, the authority must submit to the fiscal committees of the legislature the projected and actual expenditures and percentage of medicaid clients who switch to a new drug class without prior authorization as described in (a) and (b) of this subsection.

(109)(a) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority, in consultation with the office of the insurance commissioner, to complete an analysis of the cost to implement a fertility treatment benefit as described in the department of health's December 2021 mandated benefit sunrise review.

(b) The authority must contract with one or more consultants to:

(i) Obtain utilization and cost data from the state to provide an estimate of aggregate utilization and cost impacts of fertility treatment coverage for medicaid recipients, expressed as total annual cost and as a per member per month cost for plan years 2024 through 2027; and

(ii) Obtain utilization and cost data from the public employees benefits board and school employees benefits board programs to provide an estimate of aggregate utilization and cost impacts of fertility treatment coverage, expressed as total annual cost and as a per member per month cost for plan years 2024 through 2027.

(c) The analysis must include, but is not limited to, a utilization and cost analysis of each of the following services:

(i) Infertility diagnosis;

(ii) Fertility medications;

(iii) Intrauterine insemination;

(iv) In vitro fertilization; and

(v) Egg freezing.

(d) The authority must report the findings of the analysis to the governor and appropriate committees of the legislature by June

30, 2023.

(110)(a) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for one-time grants for eligible clinics to establish behavioral health integration in primary care clinics for children and adolescents. The authority may award grants of up to \$200,000 per clinic.

(b) Recipients may use grants under this subsection for:

(i) Training to create operational workflows that promote team-based care and evidence-based practices;

(ii) System development to implement universal screening of patients using standardized assessment tools;

(iii) Development of a registry to track patient outcomes;

(iv) Behavioral health professional recruitment and retainment;

(v) Psychiatric supervision recruitment and retainment for consultation services for the behavioral health integration program;

(vi) Partnership development with community mental health centers for referral of patients with higher level needs;

(vii) Information technology infrastructure, including electronic health record adjustments and registry creation; and

(viii) Physical space modifications to accommodate additional staff.

(c) To be eligible for grants under this subsection, clinics must have:

(i) At least 35 percent of their total patients enrolled in medicaid. Priority for funding must be given to clinics with the highest proportion of patients enrolled in medicaid;

(ii) A primary care advocate or proponent of the behavioral health integration program;

(iii) Support for the behavioral health integration program at the highest level of clinic leadership;

(iv) An arrangement for psychiatric consultation and supervision;

(v) A team-based approach to care, including the primary care provider, behavioral health professional, psychiatric consultant, patient, and patient's family; and

(vi) A plan to:

(A) Hire a behavioral health professional to be located within the clinic;

(B) Create a registry that monitors patient engagement and symptom improvement;

(C) Implement universal screening for behavioral health needs;

(D) Provide care coordination with schools, emergency departments, hospitals, and other points of care; and

(E) Ensure closed-loop referrals to specialty behavioral health care when indicated, as well as engagement in specialty treatment as clinically indicated.

(111) \$55,000 of the general fund—state appropriation for fiscal year 2023 and \$122,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1860 (behavioral health discharge). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(112) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Bree collaborative to support collaborative learning and targeted technical assistance for quality improvement initiatives.

(113)(a) \$500,000 of the general fund—state appropriation for fiscal year 2023 and \$1,500,000 of the general fund—federal appropriation are provided solely for the authority, in consultation with the health and human services enterprise coalition, community-based organizations, health plans, accountable communities of health, and safety net providers, to determine the cost and implementation impacts of a statewide community information exchange (CIE). A CIE platform must serve as a tool

for addressing the social determinants of health, defined as nonclinical community and social factors such as housing, food security, transportation, financial strain, and interpersonal safety, that affect health, functioning, and quality-of-life outcomes.

(b) Prior to issuing a request for proposals or beginning this project, the authority must work with stakeholders in (a) of this subsection to determine which platforms already exist within the Washington public and private health care system to determine interoperability needs and fiscal impacts to both the state and impacted providers and organizations that will be using a single statewide community information exchange platform.

(c) This subsection is subject to the conditions, limitations, and review requirements of section 701 of this act.

(114) \$226,000 of the general fund—state appropriation for fiscal year 2023, \$1,072,000 of the general fund—private/local appropriation, and \$2,588,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 1866 (supportive housing). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(115) \$8,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for one-time bridge grants to hospitals in financial distress. To qualify for these grants, a hospital must:

(a) Be located in Washington;

(b) Serve individuals enrolled in state and federal medical assistance programs;

(c) Continue to maintain a medicaid population at similar utilization levels as in calendar year 2021;

(d) Be necessary for an adequate provider network for the medicaid program;

(e) Demonstrate a plan for long-term financial sustainability; and

(f) Meet one of the following criteria:

(i) Lack adequate cash-on-hand to remain financially solvent;

(ii) Have experienced financial losses during hospital fiscal year 2021; or

(iii) Be at risk of bankruptcy.

(116) The authority shall consider evidence-based recommendations from the Oregon health evidence review commission when making coverage decisions for the treatment of pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections and pediatric acute-onset neuropsychiatric syndrome.

Sec. 212. 2021 c 334 s 212 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY—
PUBLIC EMPLOYEES' BENEFITS BOARD AND
EMPLOYEE BENEFITS PROGRAM**

State Health Care Authority Administrative Account—State Appropriation	(((\$37,403,000)) \$39,296,000
TOTAL APPROPRIATION	(((\$37,403,000)) \$39,296,000

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

(1) Any savings from reduced claims costs must be reserved for funding employee benefits during the 2023-2025 fiscal biennium and may not be used for administrative expenses. The health care authority shall deposit any moneys received on behalf of the uniform medical plan resulting from rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys received as a result of prior uniform medical plan claims payments, in the public employees' and retirees' insurance account to be used for insurance benefits.

(2) Any changes to benefits must be approved by the public

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employees' benefits board. The board shall not make any changes to benefits without considering a comprehensive analysis of the cost of those changes, and shall not increase benefits unless offsetting cost reductions from other benefit revisions are sufficient to fund the changes. The board shall not make any change in retiree eligibility criteria that reestablishes eligibility for enrollment in PEBB benefits. However, the funding provided anticipates that the public employees' benefits board may increase the virtual access to behavioral health resources and interventions and case management.

(3) Except as may be provided in a health care bargaining agreement, to provide benefits within the level of funding provided in part IX of this bill, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases increase in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(4) The board shall collect a surcharge payment of not less than twenty-five dollars per month from members who use tobacco products, and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(5) The health care authority shall analyze and report on the potential impacts of providing a one-time enrollment window for retirees to reestablish eligibility for enrollment in retiree benefits under the public employees' benefit board program. The authority shall submit the report to the appropriate committees of the legislature by January 1, 2022. At a minimum the report must include an estimate of the employer cost and a description of the assumptions used.

(6) \$285,000 of the state health care authority administrative account—state appropriation is provided solely for a customer service scheduling tool, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

(7)(a) \$250,000 of the state health care authority administrative account—state appropriation is provided solely for the health care authority to conduct a study on contracting for administration of the state's self-insured uniform medical plan. The uniform medical plan is now among the largest health benefit coverage groups in the state, covering a growing subscriber base of nearly 375,000 Washington residents enrolled in the uniform medical plan. In 2011, the uniform medical plan began administering additional services through a third-party administrative contract, rather than administering those services internally. Among those services were provision of the provider network and provider contracts, provider relations, portions of claims administration, member appeals, and portions of member communications.

(b) The purpose of the study is to enable the authority to provide the option of a return of some, or all, of the administrative functions that began to be provided by contracted services in 2011. The current contract for these services expires in 2029.

(c) By June 30, 2023, the health care authority must prepare a report on the uniform medical plan administrative services that were provided by contract prior to 2010, those that have been procured through the third-party administrative contract since, what elements of those services could be provided either directly or through discrete provider contracts, and the resources the authority would need to administer these functions. The report must also compare the cost of the administration of components before and after the transition to the current contracts; include

assumptions about the impacts on claims; include a description of the performance guarantees in the current contract; and provide an implementation plan to enable the health care authority to resume self-administration for some or all of the administrative services at the end of the current contract.

(d) The report must be presented to the public employees' benefits board and the school employees' benefits board at the first meeting of each board following completion of the report in 2023, and provided to the appropriate committees of the legislature thereafter.

Sec. 213. 2021 c 334 s 213 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY—
SCHOOL EMPLOYEES' BENEFITS BOARD**

School Employees' Insurance Administrative Account—	
State Appropriation	(((\$25,771,000))
	<u>\$28,317,000</u>
TOTAL APPROPRIATION	(((\$25,771,000))
	<u>\$28,317,000</u>

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

(1) \$15,000 of the school employees' insurance administrative account—state appropriation is provided solely for a customer service scheduling tool, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

(2) \$250,000 of the school employees' insurance administrative account—state appropriation is provided solely for the study described in section 212(7) of this act.

Sec. 214. 2021 c 334 s 214 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY—
HEALTH BENEFIT EXCHANGE**

General Fund—State Appropriation (FY 2022)	(((\$4,831,000))
	<u>\$4,881,000</u>
General Fund—State Appropriation (FY 2023)	(((\$4,543,000))
	<u>\$9,547,000</u>
General Fund—Federal Appropriation	(((\$83,017,000))
	<u>\$54,032,000</u>
Health Benefit Exchange Account—State Appropriation	(((\$77,710,000))
	<u>\$80,860,000</u>
State Health Care Affordability Account—State Appropriation	(((\$50,000,000))
	<u>\$55,000,000</u>
TOTAL APPROPRIATION	(((\$220,101,000))
	<u>\$204,320,000</u>

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

(1) The receipt and use of medicaid funds provided to the health benefit exchange from the health care authority are subject to compliance with state and federal regulations and policies governing the Washington apple health programs, including timely and proper application, eligibility, and enrollment procedures.

(2)(a) By July 15th and January 15th of each year, the authority shall make a payment of one-half the general fund—state appropriation, one-half the health benefit exchange account—state appropriation, and one-half the health care affordability account—state appropriation to the exchange. By July 15, 2021, the authority shall make the payments of the general fund—federal appropriation (CRRSA) and the general fund—federal appropriation (ARPA) to the exchange.

(b) The exchange shall monitor actual to projected revenues and make necessary adjustments in expenditures or carrier assessments to ensure expenditures do not exceed actual

revenues.

(c) Payments made from general fund—state appropriation and health benefit exchange account—state appropriation shall be available for expenditure for no longer than the period of the appropriation from which it was made. When the actual cost of materials and services have been fully determined, and in no event later than the lapsing of the appropriation, any unexpended balance of the payment shall be returned to the authority for credit to the fund or account from which it was made, and under no condition shall expenditures exceed actual revenue.

(3)(a) \$146,000 of the general fund—state appropriation for fiscal year 2022 and \$554,000 of the general fund—federal appropriation are provided solely for the exchange, in close consultation with the health and human services enterprise coalition (coalition), to develop a report on the next steps required for information technology solutions for an integrated health and human services eligibility solution. The report must include, but is not limited to a:

(i) Technical approach and architecture;

(ii) Roadmap and implementation plan for modernizing and integrating the information technology eligibility and enrollment system for including, but not limited to, medicaid, basic food, child care assistance, cash assistance, and other health and human service program benefits, beginning with classic medicaid; and

(iii) Discussion of how an integrated health and human services solution would:

(A) Comply with federal requirements;

(B) Maximize efficient use of staff time;

(C) Support accurate and secure client eligibility information;

(D) Improve the client enrollment experience; and

(E) Provide other notable coalition agency impacts.

(b) The exchange, in coordination with the coalition, must submit the report to the governor and appropriate committees of the legislature by January 15, 2022.

(4) \$1,634,000 of the health benefit exchange account—state appropriation and \$592,000 of the general fund—federal appropriation are provided solely for healthplanfinder enhancement activities. These amounts are subject to the conditions, limitations, and review provided in section 701 of this act.

(5) \$1,324,000 of the health benefit exchange account—state appropriation and \$2,740,000 of the general fund—federal appropriation are provided solely for the modernizing healthplanfinder project. These amounts are subject to the conditions, limitations, and review provided in section 701 of this act.

(6) \$250,000 of the general fund—federal appropriation (CRRSA) and \$150,000 of the general fund—federal appropriation (ARPA) are provided solely for pass-through funding to one or more lead navigator organizations to promote access to health services through outreach and insurance plan enrollment assistance for employees working in a licensed child care facility.

(7)(a) ((\$25,171,000)) \$1,171,000 of the general fund—federal appropriation (CRRSA) and ((\$5,095,000)) \$2,595,000 of the general fund—federal appropriation (ARPA) are provided solely for the exchange to implement a health care insurance premium assistance program for employees who work in licensed child care facilities. The general fund—federal appropriation (CRRSA) must be expended by September 30, 2022.

(b) An individual is eligible for the child care premium assistance program for the remainder of the plan year if the individual:

(i) Is an employee working in a licensed child care facility;

(ii) Enrolls in a silver standardized health plan under RCW 43.71.095;

(iii) Prior to January 1, ((2023)) 2024, has income that is less than 300 percent of the federal poverty level;

(iv) Applies for and accepts all federal advance premium tax credits for which he or she may be eligible before receiving any state premium assistance;

(v) Is ineligible for minimum essential coverage through medicare, a federal or state medical assistance program administered by the health care authority under chapter 74.09 RCW, or for premium assistance under RCW 43.71A.020; and

(vi) Meets other eligibility criteria as established by the exchange.

(c) Subject to the availability of amounts provided in this subsection, the exchange shall pay the premium cost for a qualified health plan for an individual who is eligible for the child care premium assistance program under (b) of this subsection.

(d) The exchange may disqualify a participant from the program if the participant:

(i) No longer meets the eligibility criteria in (b) of this subsection;

(ii) Fails, without good cause, to comply with procedural or documentation requirements established by the exchange in accordance with (e) of this subsection;

(iii) Fails, without good cause, to notify the exchange of a change of address in a timely manner;

(iv) Voluntarily withdraws from the program; or

(v) Performs an act, practice, or omission that constitutes fraud, and, as a result, an insurer rescinds the participant's policy for the qualified health plan.

(e) The exchange shall establish:

(i) Procedural requirements for eligibility and continued participation in any premium assistance program under this section, including participant documentation requirements that are necessary to administer the program; and

(ii) Procedural requirements for facilitating payments to and from carriers.

(f) The program must be implemented no later than November 1, 2021.

(g) No later than October 1, 2022, the exchange shall submit a report to the governor and appropriate committees of the legislature on the implementation of the child care premium assistance program including, but not limited to:

(i) The number of individuals participating in the program to date; and

(ii) The actual costs of the program to date, including agency administrative costs.

(h) Within the amounts provided in this subsection, the exchange may create an outreach program to help employees who work in licensed child care facilities enroll in the premium assistance program, beginning for plan year 2023, as established in chapter 246, Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5377) (standardized health plans).

(i) The health care insurance premium assistance program for employees who work in licensed child care facilities is effective through plan year 2023.

(8) \$136,000 of the general fund—state appropriation for fiscal year 2022, \$136,000 of the general fund—state appropriation for fiscal year 2023, \$254,000 of the health benefit exchange account—state appropriation, and \$274,000 of the general fund—federal appropriation are provided solely for pass through funding in the annual amount of \$100,000 for the lead navigator organization in the four regions with the highest concentration of COFA citizens to:

(a) Support a staff position for someone from the COFA community to provide enrollment assistance to the COFA community beyond the scope of the current COFA program; and

(b) Support COFA community led outreach and enrollment

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activities that help COFA citizens obtain and access health and dental coverage.

(9) \$142,000 of the general fund—state appropriation for fiscal year 2022 and \$538,000 of the general fund—federal appropriation are provided solely for the implementation of Substitute Senate Bill No. 5068 (postpartum period/medicaid) and section 9812 of the American rescue plan act of 2021.

(10) ((\$8,012,000)) \$8,162,000 of the health benefit exchange account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 5377 (standardized health plans). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(11) \$50,000,000 of the state health care affordability account—state appropriation is provided solely for the exchange to administer a premium assistance program, beginning for plan year 2023, as established in Engrossed Second Substitute Senate Bill No. 5377 (standardized health plans), and this is the maximum amount the exchange may expend for this purpose. An individual is eligible for the premium assistance provided if the individual: (a) Has income up to 250 percent of the federal poverty level; and (b) meets other eligibility criteria as established in section 1(4)(a) of Engrossed Second Substitute Senate Bill No. 5377 (standardized health plans).

(12)(a) Within amounts appropriated in this section, the exchange, in close consultation with the authority and the office of the insurance commissioner, shall explore opportunities to facilitate enrollment of Washington residents who do not qualify for non-emergency medicaid or federal affordability programs in a state-funded program no later than plan year 2024.

(b) If an opportunity to apply to the secretary of health and human services under 42 U.S.C. Sec. 18052 for a waiver is identified or other federal flexibilities are available, the exchange, in collaboration with the office of the insurance commissioner and the authority may develop an application to be submitted by the authority. If an application is submitted, the authority must notify the chairs and ranking minority members of the appropriate policy and fiscal committees of the legislature.

(c) Any application submitted under this subsection must meet all federal public notice and comment requirements under 42 U.S.C. Sec. 18052(a)(4)(B), including public hearings to ensure a meaningful level of public input.

(d) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$2,891,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for system updates and community-led engagement activities necessary to implement the waiver.

(13) \$733,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for system upgrades necessary for the anticipated expansion of medicaid equivalent health care coverage to uninsured adults with income up to 138 percent of the federal poverty level regardless of immigration status in collaboration with the health care authority.

(14) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for one-time activities to promote continuous coverage for individuals losing coverage through Washington apple health at the end of the COVID-19 public health emergency.

(15) \$20,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the exchange, in collaboration with the state board of community and technical colleges, the student achievement council, and the council of presidents, to provide educational resources and ongoing assister training to support the operations of a pilot program to help connect students, including those enrolled in state registered apprenticeship programs, with health care coverage.

(16) \$5,000,000 of the state health care affordability account—state appropriation is provided solely to provide premium assistance for customers ineligible for federal premium tax credits who meet the eligibility criteria established in subsection (11)(a) of this section, and is contingent upon approval of the applicable waiver described in subsection (12)(b) of this section.

Sec. 215. 2021 c 334 s 215 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY—
COMMUNITY BEHAVIORAL HEALTH PROGRAM**

General Fund—State Appropriation (FY 2022)	(((\$667,948,000))
	<u>\$687,270,000</u>
General Fund—State Appropriation (FY 2023)	(((\$733,456,000))
	<u>\$914,234,000</u>
General Fund—Federal Appropriation	(((\$2,593,457,000))
	<u>\$2,876,776,000</u>
General Fund—Private/Local Appropriation	(((\$37,325,000))
	<u>\$37,675,000</u>
Criminal Justice Treatment Account—State Appropriation	\$21,988,000
Problem Gambling Account—State Appropriation	(((\$1,963,000))
	<u>\$2,113,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2022)	\$28,493,000
Dedicated Marijuana Account—State Appropriation (FY 2023)	\$28,493,000
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	(((\$31,000,000))
	<u>\$131,000,000</u>
TOTAL APPROPRIATION	(((\$4,144,123,000))
	<u>\$4,728,042,000</u>

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

(1) For the purposes of this section, "behavioral health entities" means managed care organizations and behavioral health administrative services organizations that reimburse providers for behavioral health services.

(2) Within the amounts appropriated in this section, funding is provided for implementation of the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. In addition to amounts provided solely for implementation of the settlement agreement, class members must have access to supports and services funded throughout this section for which they meet eligibility and medical necessity requirements. The authority must include language in contracts that requires regional behavioral health entities to develop and implement plans for improving access to timely and appropriate treatment for individuals with behavioral health needs and current or prior criminal justice involvement who are eligible for services under these contracts.

(3) (((\$22,643,000)) \$23,271,000 of the general fund—state appropriation for fiscal year 2022, (((\$27,143,000)) \$30,514,000 of the general fund—state appropriation for fiscal year 2023, and (((\$9,073,000)) \$11,503,000 of the general fund—federal appropriation are provided solely to continue the phase-in of the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. The authority, in collaboration with the department of social and health services and the criminal justice training commission,

must implement the provisions of the settlement agreement pursuant to the timeline and implementation plan provided for under the settlement agreement. This includes implementing provisions related to competency evaluations, competency restoration, crisis diversion and supports, education and training, and workforce development.

(4) \$10,000,000 of the general fund—state appropriation for fiscal year 2023 and \$219,000 of the general fund—federal appropriation are provided solely to continue diversion grant programs funded through contempt fines pursuant to *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. The authority must consult with the plaintiffs and court monitor to determine, within the amounts provided, which of the programs will continue to receive funding through this appropriation. The programs shall use this funding to provide assessments, mental health treatment, substance use disorder treatment, case management, employment, and other social services. By June 30, 2023, the authority, in consultation with the plaintiffs and the court monitor, must submit a report to the office of financial management and the appropriate fiscal committees of the legislature which includes: Identification of the programs that receive funding through this subsection; a narrative description of each program model; the number of individuals being served by each program on a monthly basis; metrics or outcomes reported as part of the contracts; and recommendations related to further support of these programs in the 2023-2025 fiscal biennium.

(5) (((\$10,424,000)) \$12,359,000 of the general fund—state appropriation for fiscal year 2022, (((\$10,424,000)) \$12,359,000 of the general fund—state appropriation for fiscal year 2023, and \$23,444,000 of the general fund—federal appropriation are provided solely for the authority and behavioral health entities to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to behavioral health entities with PACT teams, the authority shall consider the differences between behavioral health entities in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The authority may allow behavioral health entities which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under subsection ((6)) (7) of this section. The authority and behavioral health entities shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

((5)) (6) \$3,520,000 of the general fund—federal appropriation is provided solely for the authority to maintain a pilot project to incorporate peer bridging staff into behavioral health regional teams that provide transitional services to individuals returning to their communities.

((6) \$95,066,000) (7) \$95,822,000 of the general fund—state appropriation for fiscal year 2022 and (((\$95,066,000)) \$116,633,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of behavioral health entity spending must be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. These amounts must be distributed to behavioral health entities as follows:

(a) \$72,275,000 of the general fund—state appropriation for fiscal year 2022 and (((\$72,275,000)) \$88,275,000 of the general

fund—state appropriation for fiscal year 2023 are provided solely for the authority to contract with behavioral health administrative service organizations for behavioral health treatment services not covered under the medicaid program. Within these amounts, behavioral health administrative service organizations must provide a two percent rate increase to providers receiving state funds for nonmedicaid services under this section effective July 1, 2021, and a seven percent rate increase effective January 1, 2023.

(b) (((\$22,791,000)) \$23,547,000 of the general fund—state appropriation for fiscal year 2022 and (((\$22,791,000)) \$28,358,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to contract with medicaid managed care organizations for wraparound services to medicaid enrolled individuals that are not covered under the medicaid program and for the state share of costs for exceptional medicaid behavioral health personal care services. Within the amounts provided in this subsection:

(i) Medicaid managed care organizations must provide a two percent rate increase to providers receiving state funding for nonmedicaid services under this section effective July 1, 2021, and a seven percent rate increase effective January 1, 2023.

(ii) The authority shall assure that managed care organizations reimburse the department of social and health services aging and long term support administration for the general fund—state cost of exceptional behavioral health personal care services for medicaid enrolled individuals who require these because of a psychiatric disability. Funding for the federal share of these services is separately appropriated to the department of social and health services.

(c) The authority shall coordinate with the department of social and health services to develop and submit to the centers for medicare and medicaid services an application to provide a 1915(i) state plan home and community-based services benefit. The application shall be developed to allow for the delivery of wraparound supportive behavioral health services for individuals with mental illnesses who also have a personal care need. The waiver shall be developed to standardize coverage and administration, improve the current benefit design, and clarify roles in administration of the behavioral health personal care services benefit. By December 1, 2021, the authority, in coordination with the department of social and health services, must submit a report to the office of financial management and the appropriate committees of the legislature which provides the following:

(i) A description of the new benefit design developed for the waiver, including a description of the services to be provided and the responsibility for payment under the waiver;

(ii) Estimates of the number of individuals to be served annually under the new waiver and the estimated state and federal fiscal costs for the managed care organizations and the department of social and health services;

(iii) A comparison estimate of the number of individuals to receive behavioral health personal care services annually under the current benefit structure and the estimated state and federal fiscal costs for the managed care organizations and the department of social and health services; and

(iv) A status update on the development and submission of the waiver with an estimated timeline for approval and implementation of the new wraparound services benefit.

(d) The authority must require behavioral health administrative service organizations to submit information related to reimbursements to counties made for involuntary treatment act judicial services and submit a report to the office of financial management and the appropriate committees of the legislature with complete fiscal year 2022 reimbursements by December 1,

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((7)) (8) The authority is authorized to continue to contract directly, rather than through contracts with behavioral health entities for children's long-term inpatient facility services.

((8)) (9) \$1,204,000 of the general fund—state appropriation for fiscal year 2022 and \$1,204,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting one hundred eighty-day commitment hearings at the state psychiatric hospitals.

((9)) (10) Behavioral health entities may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services to medicaid clients. Additionally, behavioral health entities may use a portion of the state funds allocated in accordance with subsection ((6)) (7) of this section to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

((10)) (11) \$2,291,000 of the general fund—state appropriation for fiscal year 2022 and \$2,291,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement. The authority must collect information from the behavioral health entities on their plan for using these funds, the numbers of individuals served, and the types of services provided and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

((11)) (12) Within the amounts appropriated in this section, funding is provided for the authority to develop and phase in intensive mental health services for high needs youth consistent with the settlement agreement in *T.R. v. Dreyfus and Porter*.

((12)) (13) The authority must establish minimum and maximum funding levels for all reserves allowed under behavioral health administrative service organization contracts and include contract language that clearly states the requirements and limitations. The authority must monitor and ensure that behavioral health administrative service organization reserves do not exceed maximum levels. The authority must monitor revenue and expenditure reports and must require a behavioral health administrative service organization to submit a corrective action plan on how it will spend its excess reserves within a reasonable period of time, when its reported reserves exceed maximum levels established under the contract. The authority must review and approve such plans and monitor to ensure compliance. If the authority determines that a behavioral health administrative service organization has failed to provide an adequate excess reserve corrective action plan or is not complying with an approved plan, the authority must reduce payments to the entity in accordance with remedial actions provisions included in the contract. These reductions in payments must continue until the authority determines that the entity has come into substantial compliance with an approved excess reserve corrective action plan.

((13)) (14) During the 2021-2023 fiscal biennium, any amounts provided in this section that are used for case management services for pregnant and parenting women must be contracted directly between the authority and pregnant and

parenting women case management providers.

((14)) (15) Within the amounts appropriated in this section, the authority may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (a) Service and other outcome data must be provided to the authority by request; and (b) indirect charges for administering the program must not exceed ten percent of the total contract amount.

((15)) (16) \$3,500,000 of the general fund—federal appropriation is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

((16)) (17) Within the amounts provided in this section, behavioral health entities must provide outpatient chemical dependency treatment for offenders enrolled in the medicaid program who are supervised by the department of corrections pursuant to a term of community supervision. Contracts with behavioral health entities must require that behavioral health entities include in their provider network specialized expertise in the provision of manualized, evidence-based chemical dependency treatment services for offenders. The department of corrections and the authority must develop a memorandum of understanding for department of corrections offenders on active supervision who are medicaid eligible and meet medical necessity for outpatient substance use disorder treatment. The agreement will ensure that treatment services provided are coordinated, do not result in duplication of services, and maintain access and quality of care for the individuals being served. The authority must provide all necessary data, access, and reports to the department of corrections for all department of corrections offenders that receive medicaid paid services.

((17)) (18) The criminal justice treatment account—state appropriation is provided solely for treatment and treatment support services for offenders with a substance use disorder pursuant to RCW 71.24.580. The authority must offer counties the option to administer their share of the distributions provided for under RCW 71.24.580(5)(a). If a county is not interested in administering the funds, the authority shall contract with behavioral health entities to administer these funds consistent with the plans approved by local panels pursuant to RCW 71.24.580(5)(b). Funding from the criminal justice treatment account may be used to provide treatment and support services through the conclusion of an individual's treatment plan to individuals participating in a drug court program as of February 24, 2021, if that individual wishes to continue treatment following dismissal of charges they were facing under RCW 69.50.4013(1). Such participation is voluntary and contingent upon substantial compliance with drug court program requirements. The authority must provide a report to the office of financial management and the appropriate committees of the legislature which identifies the distribution of criminal justice treatment account funds by September 30, 2021.

((18)) (19) \$6,858,000 of the general fund—state appropriation for fiscal year 2022, \$6,858,000 of the general fund—state appropriation for fiscal year 2023, and \$8,046,000 of the general fund—federal appropriation are provided solely to maintain crisis triage or stabilization centers that were originally funded in the 2017-2019 fiscal biennium. Services in these facilities may include crisis stabilization and intervention, individual counseling, peer support, medication management, education, and referral assistance. The authority shall monitor each center's effectiveness at lowering the rate of state psychiatric hospital admissions.

((19)) (20) \$9,795,000 of the general fund—state

appropriation for fiscal year 2022, \$10,015,000 of the general fund—state appropriation for fiscal year 2023, and \$15,025,000 of the general fund—federal appropriation are provided solely for the operation of secure withdrawal management and stabilization facilities. The authority may not use any of these amounts for services in facilities that are subject to federal funding restrictions that apply to institutions for mental diseases, unless they have received a waiver that allows for full federal participation in these facilities. Within these amounts, funding is provided to increase the fee for service rate for these facilities up to \$650 per day. The authority must require in contracts with behavioral health entities that, beginning in calendar year 2020, they pay no lower than the fee for service rate. The authority must coordinate with regional behavioral health entities to identify and implement purchasing strategies or regulatory changes that increase access to services for individuals with complex behavioral health needs at secure withdrawal management and stabilization facilities.

((20)) (21) \$23,090,000 of the general fund—state appropriation for fiscal year 2022, \$23,090,000 of the general fund—state appropriation for fiscal year 2023, and \$92,444,000 of the general fund—federal appropriation are provided solely to maintain the enhancement of community-based behavioral health services that was initially funded in fiscal year 2019. Twenty percent of the general fund—state appropriation amounts for each regional service area must be contracted to the behavioral health administrative services organizations and used to increase their nonmedicaid funding allocations and the remainder must be provided to the medicaid managed care organizations providing apple health integrated managed care. The medicaid funding is intended to maintain increased rates for behavioral health services provided by licensed and certified community behavioral health agencies as defined by the department of health. For the behavioral health administrative services organizations, this funding must be allocated to each region based upon the population of the region. For managed care organizations, this funding must be provided through the behavioral health portion of the medicaid integrated managed care capitation rates. The authority must require the managed care organizations to provide a report that details the methodology the managed care organization used to distribute this funding to their contracted behavioral health providers. The report submitted by behavioral health administrative service organizations and managed care organizations must identify mechanisms employed to disperse the funding as well as estimated impacts to behavioral health providers in the community. The authority must submit a report to the legislature by December 1st of each year of the biennium, summarizing the information regarding the distribution of the funding provided under this subsection.

((21)) (22) \$1,401,000 of the general fund—state appropriation for fiscal year 2022, \$1,401,000 of the general fund—state appropriation for fiscal year 2023, and \$3,210,000 of the general fund—federal appropriation are provided solely for the implementation of intensive behavioral health treatment facilities within the community behavioral health service system pursuant to chapter 324, Laws of 2019 (2SHB 1394).

((22)) (23)(a) \$12,878,000 of the dedicated marijuana account—state appropriation for fiscal year 2022 and \$12,878,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 are provided for:

(i) A memorandum of understanding with the department of children, youth, and families to provide substance abuse treatment programs;

(ii) A contract with the Washington state institute for public policy to conduct a cost-benefit evaluation of the implementations of chapter 3, Laws of 2013 (Initiative Measure No. 502);

(iii) Designing and administering the Washington state healthy

youth survey and the Washington state young adult behavioral health survey;

(iv) Maintaining increased services to pregnant and parenting women provided through the parent child assistance program;

(v) Grants to the office of the superintendent of public instruction for life skills training to children and youth;

(vi) Maintaining increased prevention and treatment service provided by tribes and federally recognized American Indian organization to children and youth;

(vii) Maintaining increased residential treatment services for children and youth;

(viii) Training and technical assistance for the implementation of evidence-based, research based, and promising programs which prevent or reduce substance use disorder;

(ix) Expenditures into the home visiting services account; and

(x) Grants to community-based programs that provide prevention services or activities to youth.

(b) The authority must allocate the amounts provided in (a) of this subsection amongst the specific activities proportionate to the fiscal year 2021 allocation.

((23)) (24)(a) \$1,125,000 of the general fund—state appropriation for fiscal year 2022 and \$1,125,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Spokane behavioral health entities to implement services to reduce utilization and the census at eastern state hospital. Such services must include:

(i) High intensity treatment team for persons who are high utilizers of psychiatric inpatient services, including those with co-occurring disorders and other special needs;

(ii) Crisis outreach and diversion services to stabilize in the community individuals in crisis who are at risk of requiring inpatient care or jail services;

(iii) Mental health services provided in nursing facilities to individuals with dementia, and consultation to facility staff treating those individuals; and

(iv) Services at the sixteen-bed evaluation and treatment facility.

(b) At least annually, the Spokane county behavioral health entities shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

((24)) (25) \$1,850,000 of the general fund—state appropriation for fiscal year 2022, \$1,850,000 of the general fund—state appropriation for fiscal year 2023, and \$13,312,000 of the general fund—federal appropriation are provided solely for substance use disorder peer support services included in behavioral health capitation rates in accordance with section 213(5)(ss), chapter 299, Laws of 2018. The authority shall require managed care organizations to provide access to peer support services for individuals with substance use disorders transitioning from emergency departments, inpatient facilities, or receiving treatment as part of hub and spoke networks.

((25)) (26) \$1,256,000 of the general fund—state appropriation for fiscal year 2022, \$1,256,000 of the general fund—state appropriation for fiscal year 2023, and \$2,942,000 of the general fund—federal appropriation are provided solely for the authority to maintain an increase in the number of residential beds for pregnant and parenting women originally funded in the 2019-2021 fiscal biennium.

((26)) (27) \$1,423,000 of the general fund—state appropriation for fiscal year 2022, \$1,423,000 of the general fund—state appropriation for fiscal year 2023, and \$5,908,000 of the general fund—federal appropriation are provided solely for the authority to continue to implement discharge wraparound services for individuals with complex behavioral health

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conditions transitioning or being diverted from admission to psychiatric inpatient programs. The authority must coordinate with the department of social and health services in establishing the standards for these programs.

((27)) (28) \$350,000 of the general fund—federal appropriation is provided solely to contract with a nationally recognized recovery residence organization and to provide technical assistance to operators of recovery residences seeking certification in accordance with chapter 264, Laws of 2019 (2SHB 1528).

((28)) (29) \$500,000 of the general fund—state appropriation for fiscal year 2022, \$500,000 of the general fund—state appropriation for fiscal year 2023, and \$1,000,000 of the general fund—federal appropriation are provided solely for the authority to maintain a memorandum of understanding with the criminal justice training commission to provide funding for community grants pursuant to chapter 378, Laws of 2019 (2SHB 1767).

((29)) (30) \$3,396,000 of the general fund—state appropriation for fiscal year 2022, \$3,396,000 of the general fund—state appropriation for fiscal year 2023, and \$16,200,000 of the general fund—federal appropriation are provided solely for support of and to continue to increase clubhouse ((facilities)) programs across the state. The authority shall work with the centers for medicare and medicaid services to review opportunities to include clubhouse services as an optional "in lieu of" service in managed care organization contracts in order to maximize federal participation. The authority must provide a report to the office of financial management and the appropriate committees of the legislature on the status of efforts to implement clubhouse programs and receive federal approval for including these services in managed care organization contracts as an optional "in lieu of" service by December 1, 2022.

((30)) (31) \$947,000 of the general fund—state appropriation for fiscal year 2022, \$947,000 of the general fund—state appropriation for fiscal year 2023, and \$1,896,000 of the general fund—federal appropriation are provided solely for the authority to implement a statewide plan to implement evidence-based coordinated specialty care programs that provide early identification and intervention for psychosis in behavioral health agencies in accordance with chapter 360, Laws of 2019 (2SSB 5903).

((31)) (32) \$708,000 of the general fund—state appropriation for fiscal year 2022, \$708,000 of the general fund—state appropriation for fiscal year 2023, and \$1,598,000 of the general fund—federal appropriation are provided solely for implementing mental health peer respite centers and a pilot project to implement a mental health drop-in center in accordance with chapter 324, Laws of 2019 (2SHB 1394).

((32)) (33) \$800,000 of the general fund—state appropriation for fiscal year 2022, \$800,000 of the general fund—state appropriation for fiscal year 2023, and \$1,452,000 of the general fund—federal appropriation are provided solely for the authority to implement the recommendations of the state action alliance for suicide prevention, to include suicide assessments, treatment, and grant management.

((33)) (34) \$446,000 of the general fund—state appropriation for fiscal year 2022, \$446,000 of the general fund—state appropriation for fiscal year 2023, and \$178,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the authority to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The authority must collect information from the institute

on the use of these funds and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

((34)) (35) As an element of contractual network adequacy requirements and reporting, the authority shall direct managed care organizations to make all reasonable efforts to develop or maintain contracts with provider networks that leverage local, federal, or philanthropic funding to enhance effectiveness of medicaid-funded integrated care services. These networks must promote medicaid clients' access to a system of services that addresses additional social support services and social determinants of health as defined in RCW 43.20.025 in a manner that is integrated with the delivery of behavioral health and medical treatment services.

((35)) (36) \$500,000 of the problem gambling account—state appropriation is provided solely for the authority to contract for a problem gambling adult prevalence study. The prevalence study must review both statewide and regional results about beliefs and attitudes toward gambling, gambling behavior and preferences, and awareness of treatment services. The study should also estimate the level of risk for problem gambling and examine correlations with broader behavioral and mental health measures. The health care authority shall submit results of the prevalence study to the problem gambling task force and the legislature by June 30, 2022.

((36)) (37) \$9,000,000 of the criminal justice treatment account—state appropriation is provided solely for the authority to maintain funding for new therapeutic courts created or expanded during fiscal year 2021, or to maintain the fiscal year 2021 expansion of services being provided to an already existing therapeutic court that engages in evidence-based practices, to include medication assisted treatment in jail settings pursuant to RCW 71.24.580. Funding provided under this subsection shall not supplant existing funds utilized for this purpose.

((37)) (38) In establishing, re-basing, enhancing, or otherwise updating medicaid rates for behavioral health services, the authority and contracted actuaries shall use a transparent process that provides an opportunity for medicaid managed care organizations, behavioral health administrative service organizations, and behavioral health provider agencies, and their representatives, to review and provide data and feedback on proposed rate changes within their region or regions of service operation. The authority and contracted actuaries shall transparently incorporate the information gained from this process and make adjustments allowable under federal law when appropriate.

((38)) (39) The authority shall seek input from representatives of the managed care organizations (MCOs), licensed community behavioral health agencies, and behavioral health administrative service organizations to develop ((the format of a report which addresses revenues and expenditures for the community behavioral health programs)) specific metrics related to behavioral health outcomes under integrated managed care. ((The report shall)) These metrics must include, but are not ((be)) limited to: (a) Revenues and expenditures for community behavioral health programs, including medicaid and nonmedicaid funding; (b) access to services, service denials, and utilization by state plan modality; (c) claims denials and record of timely payment to providers; (d) client demographics; and (e) social and recovery measures and managed care organization performance measures. The authority must work with managed care organizations and behavioral health administrative service organizations to integrate these metrics into an annual reporting structure designed to evaluate the performance of the behavioral health system in the state over time. The authority must submit a

report by June 30, 2023, outlining the specific metrics implemented. Thereafter, the authority shall submit the report for the preceding calendar year to the governor and appropriate committees of the legislature on or before ((July 1st)) December 30th of each year detailing the implemented metrics and relevant performance outcomes for the prior calendar year.

((39)) (40) \$3,377,000 of the general fund—state appropriation for fiscal year 2022 and (((\$5,177,000)) \$8,027,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to implement ((two)) pilot programs for intensive outpatient services and partial hospitalization services for certain children and adolescents.

(a) The effective date of the pilot sites is January 1, 2021.

(b) The two pilots must be contracted with a hospital that provides psychiatric inpatient services to children and adolescents in a city with the largest population east of the crest of the Cascade mountains and a hospital that provides psychiatric inpatient services to children and adolescents in a city with the largest population west of the crest of the Cascade mountains.

(c) The authority must establish minimum standards, eligibility criteria, authorization and utilization review processes, and payment methodologies for the pilot programs in contract.

(d) Eligibility for the pilot sites is limited pursuant to the following:

(i) Children and adolescents discharged from an inpatient hospital treatment program who require the level of services offered by the pilot programs in lieu of continued inpatient treatment;

(ii) Children and adolescents who require the level of services offered by the pilot programs in order to avoid inpatient hospitalization; and

(iii) Services may not be offered if there are less costly alternative community based services that can effectively meet the needs of an individual referred to the program.

(e) The authority must collect data on the pilot sites and work with the actuaries responsible for establishing managed care rates for medicaid enrollees to develop and submit a report to the office of financial management and the appropriate committees of the legislature. A preliminary report must be submitted by December 1, 2021, and a final report must be submitted by December 1, 2022. The reports must include the following information:

(i) A narrative description of the services provided at each pilot site and identification of any specific gaps the sites were able to fill in the current continuum of care;

(ii) Clinical outcomes and estimated reductions in psychiatric inpatient costs associated with each of the pilot sites;

(iii) Recommendations for whether either or both of the pilot models should be expanded statewide; whether modifications should be made to the models to better address gaps in the continuum identified through the pilot sites, whether the models could be expanded to community behavioral health providers, and whether statewide implementation should be achieved through a state plan amendment or some other mechanism for leveraging federal medicaid match; and

(iv) Actuarial projections on the statewide need for services related to the pilot sites and estimated costs of adding each of the services to the medicaid behavioral health benefit for children and adolescents and adults.

(f) Of the amounts provided in this subsection, \$2,850,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to expand the number of pilot sites to a third location. The criteria in (c) and (d) of this subsection shall also apply to this pilot site. Data from this pilot site must be incorporated into the final report required in (e) of this subsection.

((40)) (41)(a) \$100,000 of the general fund—federal appropriation is provided solely for the authority to convene a

task force to examine impacts and changes proposed to the use of criminal background checks in employment in behavioral health settings, with the goal of reducing barriers to developing and retaining a robust behavioral health workforce, while maintaining patient safety measures. The task force membership must include representatives from:

(i) The office of the attorney general;

(ii) The department of health;

(iii) The department of social and health services;

(iv) The office of the governor; and

(v) Others appointed by the authority, including behavioral health employers and those with lived experience.

(b) The task force shall consider any relevant information and recommendations made available by the work group created under Substitute House Bill No. 1411 (health care workforce).

(c) By December 1, 2021, the authority must submit a report of the task force's recommendations to the governor and the appropriate committees of the legislature.

((41)) (42) \$6,042,000 of the general fund—state appropriation for fiscal year 2022, \$561,000 of the general fund—state appropriation for fiscal year 2023, and \$35,415,000 of the general fund—federal appropriation (CRSSA) are provided solely to promote the recovery of individuals with substance use disorders through expansion of substance use disorder services. The authority shall implement this funding to promote integrated, whole-person care to individuals with opioid use disorders, stimulant use disorders, and other substance use disorders. The authority shall use this funding to support evidence-based and promising practices as follows:

(a) \$11,170,000 of the general fund—federal appropriation (CRSSA) is provided solely for treatment services to low-income individuals with substance use disorders who are not eligible for services under the medicaid program and for treatment services that are not covered under the medicaid program. A minimum of \$9,070,000 of this amount must be contracted through behavioral health administrative services organizations. The amounts in this subsection may be used for services including, but not limited to, outpatient treatment, residential treatment, mobile opioid use disorder treatment programs, law enforcement assisted diversion programs, contingency management interventions, modified assertive community treatment, trauma informed care, crisis respite, and for reimbursement of one-time start-up operating costs for opening new beds in withdrawal management treatment programs.

(b) \$2,407,000 of the general fund state—appropriation for fiscal year 2022, \$561,000 of the general fund—state appropriation for fiscal year 2023, and \$3,245,000 of the general fund—federal appropriation (CRSSA) are provided solely for outreach programs that link individuals with substance use disorders to treatment options to include medication for opioid use disorder. The authority must contract for these services with programs that use interdisciplinary teams, which include peer specialists, to engage and facilitate linkage to treatment for individuals in community settings such as homeless encampments, shelters, emergency rooms, harm reduction programs, churches, community service offices, food banks, libraries, legal offices, and other settings where individuals with substance use disorders may be engaged. The services must be coordinated with emergency housing assistance and other services administered by the authority to promote access to a full continuum of treatment and recovery support options.

(c) \$1,535,000 of the general fund—state appropriation for fiscal year 2022 and \$10,417,000 of the general fund—federal appropriation (CRSSA) are provided solely for substance use disorder recovery support services not covered by the medicaid program including, but not limited to, emergency housing,

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recovery housing vouchers, supported employment, skills training, peer support, peer drop-in centers, and other community supports.

(d) \$1,100,000 of the general fund—state appropriation for fiscal year 2022 and \$1,750,000 of the general fund—federal appropriation (CRSSA) are provided solely for efforts to support the recovery of American Indians and Alaska natives with substance use disorders. This funding may be used for grants to urban Indian organizations, tribal opioid prevention media campaigns, and support for government to government communication, planning, and implementation of opioid use disorder related projects.

(e) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a public awareness campaign to educate youth and young adults with opioid use disorders about harm reduction, secondary prevention, overdose awareness, fentanyl, and naloxone.

(f) \$7,083,000 of the general fund—federal appropriation (CRSSA) is provided solely for community services grants that support the implementation and evaluation of substance use disorder prevention services.

(g) Up to \$1,750,000 of the general fund—federal appropriation (CRSSA) may be used for the authority's administrative costs associated with services funded in this subsection (((41))) (42).

(((42))) (43) \$3,109,000 of the general fund—state appropriation for fiscal year 2022 and \$3,109,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for short-term rental subsidies for individuals with mental health or substance use disorders. This funding may be used for individuals enrolled in the foundational community support program while waiting for a longer term resource for rental support or for individuals transitioning from behavioral health treatment facilities or local jails. Individuals who would otherwise be eligible for the foundational community support program but are not eligible because of their citizenship status may also be served. By December 1, 2021, and December 1, 2022, the authority must submit a report identifying the expenditures and number of individuals receiving short-term rental supports through the agency budget during the prior fiscal year broken out by region, treatment need, and the demographics of those served, including but not limited to age, country of origin within racial/ethnic categories, gender, and immigration status.

(((43))) (44) Within the amounts provided in this section, sufficient funding is provided for the authority to implement requirements to provide up to five sessions of intake and assessment pursuant to Second Substitute House Bill No. 1325 (behavioral health/youth).

(((44))) (45) \$19,000,000 of the general fund—federal appropriation (CRSSA) and \$1,600,000 of the general fund—federal appropriation (ARPA) are provided solely to promote the recovery of individuals with mental health disorders through expansion of mental health services. The authority shall implement this funding to promote integrated, whole-person care through evidence based and promising practices as follows:

(a) \$7,303,000 of the general fund—federal appropriation (CRSSA) is provided solely for treatment services to low-income individuals with mental health disorders who are not eligible for services under the medicaid program and for treatment services that are not covered under the medicaid program. A minimum of \$6,150,000 of this amount must be contracted through behavioral health administrative services organizations. The amounts in this subsection may be used for services including, but not limited to, outpatient treatment, residential treatment, law enforcement assisted diversion programs, modified assertive community

treatment, and trauma informed care.

(b) \$6,344,000 of the general fund—federal appropriation (CRSSA) is provided solely for mental health recovery support services not covered by the medicaid program including, but not limited to, supportive housing, emergency housing vouchers, supported employment, skills training, peer support, peer drop-in centers, and other community supports.

(c) \$961,000 of the general fund—federal appropriation (CRSSA) is provided solely for efforts to support the recovery of American Indians and Alaska natives with mental health disorders.

(d) \$1,346,000 of the general fund—federal appropriation (CRSSA) is provided solely to enhance crisis services and may be used for crisis respite care.

(e) \$2,307,000 of the general fund—federal appropriation (CRSSA) is provided solely for the expansion of first episode psychosis programs.

(f) Up to \$961,000 of the general fund—federal appropriation (CRSSA) may be used for the authority's administrative costs associated with services funded in this subsection.

(((45))) (46) The authority must pursue opportunities for shifting state costs to the state's unused allocation of federal institutions for mental disease disproportionate share hospital funding. The authority must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2021, which identifies any activities the authority has implemented or identified to shift state costs to the unused federal funds and an analysis of the fiscal impacts for these activities and options.

(((46))) (47) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to implement one-time behavioral health workforce pilot programs and training support grants pursuant to Engrossed Second Substitute House Bill No. 1504 (workforce education development act). Of these amounts, \$440,000 of the general fund—state appropriation for fiscal year 2022 and \$440,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the three behavioral health workforce pilot programs and \$60,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for training support grants. (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(47) \$2,500,000) (48) \$1,400,000 of the general fund—state appropriation for fiscal year 2022 and (\$2,500,000) \$3,600,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to expand efforts to provide opioid use disorder medication in city, county, regional, and tribal jails. The authority must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2021, on the allocation of the fiscal year 2021 funding within this subsection. The authority must provide a report to the office of financial management and the appropriate committees of the legislature by December 1, 2022, on the allocation of the fiscal year 2022 funding and the expenditures and number of individuals served in fiscal year 2021 by location.

(((48))) (49) \$500,000 of the general fund—federal appropriation is provided solely to establish an emotional support network program for individuals employed as peer specialists. The authority must contract for these services which shall include, but not be limited to, facilitating support groups for peer specialists, support for the recovery journeys of the peer specialists themselves, and targeted support for the secondary trauma inherent in peer work.

((49)) (50) \$1,800,000 of the general fund—federal appropriation is provided solely for the authority to contract on a one-time basis with the University of Washington behavioral health institute to continue and enhance its efforts related to training and workforce development. The behavioral health institute shall develop and disseminate model programs and curricula to address the treatment needs of individuals with substance use disorders and cooccurring disorders. The behavioral health institute shall provide consultation and training to behavioral health agencies in order to improve the delivery of evidence-based and promising practices and overall quality of care. Training for providers may include technical assistance related to payment models, integration of peers, team-based care, utilization reviews, care transitions, and the infusion of recovery and resiliency into programming and culture. Additionally, the behavioral health institute shall provide continued access to telehealth training and support, including innovative digital health content. The behavioral health institute shall evaluate behavioral health inequities in Washington and create a center of excellence to address behavioral health inequity, including the need for a more diverse workforce. The behavioral health institute shall offer an annual conference on race, equity, and social justice and create a learning management system to provide access to training for publicly funded behavioral health providers across a range of topics. Specific curricula to be developed within the amounts provided in this subsection must include:

(a) A training for law enforcement officers focused on understanding substance use disorder and the recovery process and options and procedures for diversion from the criminal legal system for individuals with substance use disorder, to be developed in consultation with the criminal justice training commission; and

(b) A curriculum for correctional officers and community corrections officers focused on motivational interviewing, recovery coaching, and trauma informed care, developed in consultation with the department of corrections.

((50)) (51) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to the north sound behavioral health administrative services organization to provide trauma-informed counseling services to children and youth in Whatcom county schools. The services must be provided by licensed behavioral health professionals who have training in the provision of trauma-informed care. The behavioral health administrative services organization must request, from the office of the superintendent of public instruction, a listing of the Whatcom county schools that are eligible for high-poverty allocations from the learning assistance program and prioritize services in these schools.

((51)) (52) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided on a one-time basis solely for the authority to contract with the north sound behavioral health administrative services organization to establish the Whatcom county crisis stabilization center as a pilot project for diversion from the criminal justice system to appropriate community based treatment. The pilot shall allow for police officers to place involuntary holds for up to 12 hours for persons placed at the facility in accordance with RCW 10.31.110. The amounts provided must be used to pay for the cost of services at the site not covered under the medicaid program. The authority must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2022, including the following information:

(a) The total number of individuals served in the crisis stabilization center broken out by those served on a voluntary

basis versus those served under involuntary treatment holds placed pursuant to RCW 10.31.110;

(b) A summary of the outcomes for each of the groups identified in (a) of this subsection; and

(c) Identification of methods to incentivize or require managed care organizations to implement payment models for crisis stabilization providers that recognize the need for the facilities to operate at full staffing regardless of fluctuations in daily census.

((52)) (53) \$1,250,000 of the general fund—state appropriation for fiscal year 2022 and \$1,250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to contract with the King county behavioral health administrative services organization to maintain children's crisis outreach response system services that were previously funded through the department of children, youth, and families. The authority, in consultation with the behavioral health administrative services organization, medicaid managed care organizations, and the actuaries responsible for developing medicaid managed care rates, must work to maximize federal funding provided for the children's crisis outreach response system program and submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2021, on the status of these efforts and the associated savings in state funds.

((53) \$1,762,000) (54) \$881,000 of the general fund—((federal)) state appropriation ((is)) for fiscal year 2022 and \$881,000 of the general fund—state for fiscal year 2023 are provided on a one-time basis solely for maintaining and increasing resources for peer support programs and for the authority to contract with an organization to assist with the recruitment of individuals to work as behavioral health peers with a specific focus on black, indigenous, and people of color communities. The authority must submit a preliminary report to the office of financial management and the appropriate committees of the legislature on the status of these efforts by December 1, 2021, and a final report including identification of the number and demographics of individuals recruited into behavioral health peer positions by December 1, 2022.

((54)) (55) \$250,000 of the general fund—federal appropriation is provided solely for the authority to provide crisis response training to behavioral health peer specialists. The authority must use these amounts to contract for the development of a specialized 40 hour crisis response training curriculum for behavioral health peer specialists and to conduct a minimum of one statewide training session during fiscal year 2022 and one statewide training session during fiscal year 2023. The training shall focus on preparing behavioral health peer specialists to work with individuals in crisis, including providing peer services in emergency departments, as coresponders with law enforcement, and as part of mobile crisis teams. The training sessions must be offered free of charge to the participants and may be offered either virtually or in person as determined by the authority. By December 1, 2022, the authority must submit a report to the office of financial management and the appropriate committees of the legislature on the peer crisis response curriculum and the number of individuals that received training.

((55)) (56) \$500,000 of the general fund—federal appropriation is provided solely for the authority to contract on a one-time basis with the University of Washington alcohol and drug abuse institute to develop policy solutions in response to the public health challenges of high tetrahydrocannabinol potency cannabis. The institute must use this funding to: Conduct individual interviews with stakeholders and experts representing different perspectives, facilitate joint meetings with stakeholders to identify areas of common ground and consensus, and develop recommendations for state policies related to cannabis potency

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and mitigating detrimental health impacts. The authority must submit the following reports to the office of financial management and the appropriate committees of the legislature:

(a) An initial report must be submitted by December 31, 2021, and shall summarize progress made to date, preliminary policy recommendations, and next steps; and

(b) A final report must be submitted by December 31, 2022, and shall summarize the analysis conducted by the institute, the process and stakeholders involved, an inventory of relevant cannabis policies in other states, and recommendations for policy changes to reduce the negative impacts of high potency cannabis in Washington state.

~~((56))~~ (57) \$8,197,000 of the general fund—state appropriation for fiscal year 2022, \$8,819,000 of the general fund—state appropriation for fiscal year 2023, and \$38,025,000 of the general fund—federal appropriation are provided solely to continue in the 2021-2023 fiscal biennium the two percent increase to medicaid reimbursement for community behavioral health providers contracted through managed care organizations that was provided in April 2021. The authority must employ mechanisms such as directed payment or other options allowable under federal medicaid law to assure the funding is used by the managed care organizations for a two percent provider rate increase as intended and verify this pursuant to the process established in chapter 285, Laws of 2020 (EHB 2584). The rate increase shall be implemented to all behavioral health inpatient, residential, and outpatient providers receiving payment for services under this section contracted through the medicaid managed care organizations.

~~((57))~~ (58) \$17,128,000 of the general fund—state appropriation for fiscal year 2023 and \$32,861,000 of the general fund—federal appropriation are provided solely to implement a 7 percent increase to medicaid reimbursement for community behavioral health providers contracted through managed care organizations to be effective January 1, 2023. The authority must employ mechanisms such as directed payment or other options allowable under federal medicaid law to assure the funding is used by the managed care organizations for a 7 percent provider rate increase as intended and verify this pursuant to the process established in chapter 285, Laws of 2020 (EHB 2584). The rate increase shall be implemented to all behavioral health inpatient, residential, and outpatient providers contracted through the medicaid managed care organizations. Providers receiving rate increases under other subsections of this section must be excluded from the rate increase directed in this subsection.

(59) ~~((114,000))~~ \$1,307,000 of the general fund—state appropriation for fiscal year 2022, ~~((114,000))~~ \$5,217,000 of the general fund—state appropriation for fiscal year 2023, and ~~((228,000))~~ \$6,524,000 of the general fund—federal appropriation are provided solely to increase the number of beds and rates for community children's long-term inpatient program providers. The number of beds is increased on a phased in basis to 62 beds by the end of fiscal year 2022 and to 72 beds by the end of fiscal year 2023. The rates are increased by two percent effective July 1, 2021, and by an additional 4.5 percent effective January 1, 2023.

~~((58))~~ (60) \$117,000 of the general fund—state appropriation for fiscal year 2022, ~~((117,000))~~ \$251,000 of the general fund—state appropriation for fiscal year 2023, and ~~((168,000))~~ \$265,000 of the general fund—federal appropriation are provided solely to increase rates for parent child assistance program providers by two percent effective July 1, 2021, and by an additional 4.5 percent effective January 1, 2023.

~~((59))~~ \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—federal

appropriation are provided solely to support actuarial work required for the authority to develop behavioral health comparison rates.

~~((60))~~ (61) \$205,000 of the general fund—state appropriation for fiscal year 2022 and \$205,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to contract with the Washington state behavioral health institute to engage consumers, the University of Washington evidence based practice institute, and other stakeholders to review current and emerging data and research and make recommendations regarding best practices for virtual behavioral health services to children from prenatal stages through age 25. This work shall focus on the development of services and supports that deliver clinically-effective outcomes for children and families and identify safeguards for "in-person," "audio-video," and "audio only" modes. The review conducted by the institute shall include the collection and analysis of data about clinical efficacy of behavioral health services and supports through virtual modes and methods for determining and maximizing the health benefits of the different modes. The authority shall submit data required for this research to the behavioral health institute in accordance with federal and state laws regarding client protected information. The department shall submit the following reports to the office of financial management and the appropriate committees of the legislature:

(a) A preliminary report on the 2022 workplan by December 31, 2021;

(b) An initial report with recommendations for standards of care and best practices for behavioral health services by June 30, 2022; and

(c) A final report with additional refined recommendations and a research agenda and proposed budget for fiscal year 2024 and beyond by December 31, 2022.

~~((61))~~ (62) The authority must claim the enhanced federal medical assistance participation rate for home and community-based services offered under section 9817 of the American rescue plan act of 2021 (ARPA). Appropriations made that constitute supplementation of home and community-based services as defined in section 9817 of ARPA are listed in LEAP omnibus document HCBS-2021.

~~((62))~~ (63) \$150,000 of the general fund—federal appropriation is provided solely for training of behavioral health consumer advocates. Beginning in July 2022, the authority must enter into a memorandum of understanding with the department of commerce to provide support for training of behavioral health consumer advocates pursuant to Engrossed Second Substitute House Bill No. 1086 (behavioral health consumers).

~~((63))~~ (64) \$5,000,000 of the general fund—federal appropriation is provided solely for the authority to maintain funding for grants to law enforcement assisted diversion programs outside of King county established pursuant to chapter 314, Laws of 2019 (SSB 5380). By December 1, 2023, the authority, in coordination with the law enforcement assisted diversion national support bureau, must collect information and submit a report to the office of financial management and the appropriate committees of the legislature on the grant program including a description of the program model or models used and the number, demographic information, and measurable outcomes of the individuals served with the funding provided under this subsection.

~~((64))~~ (65) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to contract with a statewide mental health nonprofit organization that provides free community and school-based

mental health education and support programs for consumers and families. The contractor must use this funding to provide access to programs tailored to peers living with mental illness as well as family members of people with mental illness and the community at large. Services provided by the contracted program shall include education, support, and assistance to reduce isolation and help consumers and families understand the services available in their communities.

~~((65))~~ (66) \$13,374,000 of the general fund—state appropriation for fiscal year 2022, ~~(((\$12,474,000))~~ \$15,474,000 of the general fund—state appropriation for fiscal year 2023, and ~~(((\$12,731,000))~~ \$13,743,000 of the general fund—federal appropriation are provided solely for increasing local behavioral health mobile crisis response team capacity and ensuring each region has at least one adult and one children and youth mobile crisis team that is able to respond to calls coming into the 988 crisis hotline.

(a) In prioritizing this funding, the health care authority shall assure that a minimum of six new children and youth mobile crisis teams are created and that there is one children and youth mobile crisis team in each region by the end of fiscal year 2022.

(b) In implementing funding for adult and youth mobile crisis response teams, the authority must establish standards in contracts with managed care organizations and behavioral health administrative services organizations for the services provided by these teams.

(c) Of these amounts, \$3,000,000 of the general fund—state appropriation for fiscal year 2023 and \$1,012,000 of the general fund—federal appropriation are provided solely to increase capacity for mobile crisis services in King county. These amounts must supplement and not supplant funding to the county previously allocated by the authority under this subsection.

~~((66) \$42,987,000)~~ (67) \$29,671,000 of the general fund—state appropriation for fiscal year 2022, ~~(((\$57,253,000))~~ \$37,628,000 of the general fund—state appropriation for fiscal year 2023, and ~~(((\$80,040,000))~~ \$44,606,000 of the general fund—federal appropriation are provided solely for the ~~((department))~~ authority to contract with community hospitals or freestanding evaluation and treatment centers to provide long-term inpatient care beds as defined in RCW 71.24.025. Within these amounts, the authority must meet the requirements for reimbursing counties for the judicial services for patients being served in these settings in accordance with RCW 71.05.730. The authority must coordinate with the department of social and health services in developing the contract requirements, selecting contractors, and establishing processes for identifying patients that will be admitted to these facilities. Of the amounts in this subsection, sufficient amounts are provided in fiscal year 2022 and fiscal year 2023 for the authority to reimburse community hospitals and nonhospital residential treatment centers serving clients in long-term inpatient care beds as defined in RCW 71.24.025 as follows:

(a) For a hospital licensed under chapter 70.41 RCW that requires a hospital specific medicaid inpatient psychiatric per diem payment rate for long-term civil commitment patients because the hospital has completed a medicare cost report, the authority shall analyze the most recent medicare cost report of the hospital after a minimum of 200 medicaid inpatient psychiatric days. The authority shall establish the inpatient psychiatric per diem payment rate for long-term civil commitment patients for the hospital at 100 percent of the allowable cost of care, based on the most recent medicare cost report of the hospital.

(b) For a hospital licensed under chapter 70.41 RCW that has not completed a medicare cost report with more than 200 medicaid inpatient psychiatric days, the authority shall establish the medicaid inpatient psychiatric per diem payment rate for long-

term civil commitment patients for the hospital at the higher of the hospital's current medicaid inpatient psychiatric rate; or the annually updated statewide average of the medicaid inpatient psychiatric per diem payment rate of all acute care hospitals licensed under chapter 70.41 RCW providing long-term civil commitment services.

(c) For a hospital licensed under chapter 71.12 RCW and currently providing long-term civil commitment services, the authority shall establish the medicaid inpatient psychiatric per diem payment rate at \$940 plus adjustments that may be needed to capture costs associated with long-term psychiatric patients that are not allowable on the medicare cost report or reimbursed separately. The hospital may provide the authority with supplemental data to be considered and used to make appropriate adjustments to the medicaid inpatient psychiatric per diem payment rate of the hospital. Adjustment of costs may include:

(i) Costs associated with professional services and fees not accounted for in the hospital's medicare cost report or reimbursed separately;

(ii) Costs associated with the hospital providing the long-term psychiatric patient access to involuntary treatment court services that are not reimbursed separately; and

(iii) Other costs associated with caring for long-term psychiatric patients that are not reimbursed separately.

(d) For a hospital licensed under chapter 71.12 RCW that requires an initial medicaid inpatient psychiatric per diem payment rate for long-term civil commitment services because it has not yet completed a medicare cost report, the authority shall establish the medicaid inpatient psychiatric per diem payment rate at the higher of:

(i) The hospital's current medicaid inpatient psychiatric rate; or

(ii) The annually updated statewide average of the medicaid long-term inpatient psychiatric per diem payment rate of all freestanding psychiatric hospitals licensed under chapter 71.12 RCW providing long-term civil commitment services.

(e) For nonhospital residential treatment centers certified to provide long-term inpatient care beds as defined in RCW 71.24.025, the authority shall increase the fiscal year 2021 rate by three percent each year of the biennium.

(f) Beginning in fiscal year 2023, provider payments for vacant bed days shall not exceed six percent of their annual contracted bed days.

(g) The legislature intends to recognize the additional costs associated with student teaching related to long-term civil commitment patients to be provided in a new teaching hospital expected to open during the 2023-2025 fiscal biennium.

(h) The authority, in coordination with the department of social and health services, the office of the governor, the office of financial management, and representatives from medicaid managed care organizations, behavioral health administrative service organizations, and community providers, must develop and implement a plan to continue the expansion of civil community long-term inpatient capacity. The plan shall identify gaps and barriers in the current array of community long-term inpatient beds in serving higher need individuals including those committed to a state hospital pursuant to the dismissal of criminal charges and a civil evaluation ordered under RCW 10.77.086 or 10.77.088. The plan shall identify strategies to overcome these barriers including, but not limited to, potential rate enhancements for high needs clients. The authority must submit its implementation plan to the office of financial management and the appropriate fiscal committees of the legislature by December 1, 2021, and submit a status update on the implementation plan by October 15, 2022.

~~((67))~~ (68)(a) \$31,000,000 of the ~~((general fund—federal appropriation (CSFRF)))~~ coronavirus state fiscal recovery fund—

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federal appropriation is provided on a one-time basis solely for the authority to provide assistance payments to behavioral health providers serving medicaid and state-funded clients. In prioritizing the allocation of this funding, the authority must take the following into account:

(i) The differential impact the pandemic has had on different types of providers;

(ii) Other state and federal relief funds providers have received or are eligible to apply for; and

(iii) Equitable distribution of assistance including consideration of geographic location and providers serving members of historically disadvantaged communities.

(b) To be eligible for assistance, the behavioral health providers must:

(i) Have experienced lost revenue or increased expenses that are a result of the COVID-19 public health emergency;

(ii) Self-attest that the lost revenue or expenses are not funded by any other government or private entity;

(iii) Agree to operate in accordance with the requirements of applicable federal, state, and local public health guidance and directives; and

(iv) Agree to comply with federal guidance on the use of coronavirus state and local fiscal recovery funds.

(c) Provider assistance is subject to the availability of amounts provided in this subsection.

((68)) (69)(a) \$375,000 of the general fund—state appropriation for fiscal year ((2021)) 2022 and \$375,000 of the general fund—state appropriation for fiscal year ((2022)) 2023 are provided solely for a one-time grant to Island county to fund a pilot program to improve behavioral health outcomes for young people in rural communities. In administering the pilot program, Island county shall coordinate with school districts, community groups, and health care providers to increase access to behavioral health programs for children and youth aged birth to 24 years of age. The grant funds shall be used to coordinate and expand behavioral health services. The grant funding must not be used to supplant funding from existing programs. No more than 10 percent of the funds may be used for administrative costs incurred by Island county in administering the program. Services that may be provided with the grant funding include, but are not limited to:

(i) Support for children and youth with significant behavioral health needs to address learning loss caused by COVID-19 and remote learning;

(ii) School based behavioral health education, assessment, and brief treatment;

(iii) Screening and referral of children and youth to long-term treatment services;

(iv) Behavioral health supports provided by community agencies serving youth year-round;

(v) Expansion of mental health first aid, a program designed to prepare adults who regularly interact with youth for how to help people in both crisis and noncrisis mental health situations;

(vi) Peer support services; and

(vii) Compensation for the incurred costs of clinical supervisors and internships.

(b) The authority, in coordination with Island county, must submit the following reports to the legislature:

(i) By December 1, 2022, a report summarizing how the funding was used and providing the number of children and youth served by the pilot during fiscal year 2022; and

(ii) By December 1, 2023, a report summarizing how the funding was used and providing the number of children and youth served by the pilot during fiscal year 2023.

((69)) (70) State general fund appropriations in this section and in sections 219 and 221 of this act are made to address the

harms caused to the state and its citizens by the opioid epidemic, and these include appropriations of \$13,466,000 attributable to the settlement in *State v. McKinsey & Co., Inc.*

((70)) (71) \$260,000 of the general fund—state appropriation for fiscal year 2022, \$3,028,000 of the general fund—state appropriation for fiscal year 2023, and \$3,028,000 of the general fund—federal appropriation are provided solely for the authority to contract for a twelve bed children's long-term inpatient program facility specializing in the provision of rehabilitative mental health services for children and youth with intellectual or developmental disabilities who have intensive behavioral health support needs. The authority must provide a report to the office of financial management and the appropriate committees of the legislature providing data on the demand and utilization of this facility by June 30, 2023.

((71)) (72) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the authority to continue the University of Washington's project extension for community health care outcomes (ECHO) for:

(a) Telecommunication consultation with local physicians to discuss medications appropriate to patients who have developmental disabilities and behavioral issues; and

(b) Training to both behavioral health and developmental disabilities professionals to support individuals with both developmental disabilities and behavioral health needs.

((72) No more than \$1,535,000) (73) \$1,991,000 of the general fund—federal appropriation and (((\$810,000)) \$1,147,000 of the general fund—local appropriation ((may be expended)) are provided solely for supported housing and employment services described in initiative 3a and 3b of the ((medicaid transformation)) 1115 demonstration waiver ((under healthier Washington)) and this is the maximum amount that may be expended for this purpose. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the authority or its providers or third party administrator. The department and the authority in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The authority shall not increase general fund—state expenditures ((under this initiative)) above appropriated levels for this specific purpose. The secretary in collaboration with the director of the authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature ((all of)) the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

((73) \$396,000 of the general fund—state appropriation for fiscal year 2022, \$329,000 of the general fund—state appropriation for fiscal year 2023, and \$3,153,000 of the general fund—federal appropriation are provided solely to support the administrative costs associated with the application and implementation of a federal waiver allowing for full federal participation in mental health treatment facilities identified as institutions of mental diseases.))

(74)(a) \$150,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the authority to convene a work group to develop a recommended teaching clinic enhancement rate for behavioral health agencies training and supervising students and those seeking their certification or license. This work should include: Developing standards for classifying a behavioral health agency as a teaching clinic; a cost

methodology to determine a teaching clinic enhancement rate; and a timeline for implementation. The work group must include representatives from:

- (i) The department of health;
- (ii) The office of the governor;
- (iii) The Washington workforce training and education board;
- (iv) The Washington council for behavioral health;
- (v) Licensed and certified behavioral health agencies; and
- (vi) Higher education institutions.

(b) By October 15, 2021, the health care authority must submit a report of the work group's recommendations to the governor and the appropriate committees of the legislature.

(75) \$343,000 of the general fund—state appropriation for fiscal year 2022, \$344,000 of the general fund—state appropriation for fiscal year 2023, and \$687,000 of the general fund—federal appropriation are provided solely for increasing services to pregnant and parenting women provided through the parent child assistance program.

(76) \$130,000 of the general fund—state appropriation for fiscal year 2022 and \$130,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for maintaining and increasing the capabilities of a tool to track medication assisted treatment provider capacity.

(77) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to support substance use disorder family navigators across the state.

(78) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to support recovery cafes across the state.

(79) \$69,000 of the general fund—state appropriation for fiscal year 2022, \$63,000 of the general fund—state appropriation for fiscal year 2023, and \$198,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5071 (civil commitment transition). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(80) \$200,000 of the general fund—state appropriation for fiscal year 2022, \$195,000 of the general fund—state appropriation for fiscal year 2023, and \$755,000 of the general fund—federal appropriation are provided solely for a grant program to award funding to fire departments in the state of Washington to implement safe station pilot programs. Programs that combine the safe station approach with fire department mobile integrated health programs such as the community assistance referral and education services program under RCW 35.21.930 are encouraged. Certified substance use disorder peer specialists may be employed in a safe station pilot program if the authority determines that a plan is in place to provide appropriate levels of supervision and technical support. Safe station pilot programs shall collaborate with behavioral health administrative services organizations, local crisis providers, and other stakeholders to develop a streamlined process for referring safe station clients to the appropriate level of care. Funding for pilot programs under this subsection shall be used for new or expanded programs and may not be used to supplant existing funding.

(81) \$71,000 of the general fund—state appropriation for fiscal year 2022, \$66,000 of the general fund—state appropriation for fiscal year 2023, and \$136,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute Senate Bill No. 5195 (opioid overdose medication). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(82) \$150,000 of the general fund—state appropriation for

fiscal year 2022 is provided solely for the authority to evaluate options for a medicaid waiver to provide respite care for youth with behavioral health challenges while avoiding adverse impacts with respite waivers at the department of social and health services developmental disabilities administration and the department of children, youth, and families.

(83) \$2,000,000 of the general fund—federal appropriation is provided solely for grants to law enforcement and other first responders to include a mental health professional on the team of personnel responding to emergencies.

(84) \$375,000 of the general fund—state appropriation for fiscal year 2022 and \$375,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to the city of Arlington in partnership with the North County regional fire authority for a mobile integrated health pilot project. The project shall provide mobile integrated health services for residents who cannot navigate resources through typical methods through brief therapeutic intervention, biopsychosocial assessment and referral, and community care coordination.

(85) \$26,000 of the general fund—state appropriation for fiscal year 2022, \$26,000 of the general fund—state appropriation for fiscal year 2023, and \$48,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Substitute House Bill No. 1196 (audio only telemedicine). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(86) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Substitute Senate Bill No. 5073 (involuntary commitment). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(87) ~~(\$2,834,000)~~ \$349,000 of the general fund—state appropriation for fiscal year 2022, \$1,849,000 of the general fund—state appropriation for fiscal year 2023, and (\$1,813,000) \$942,000 of the general fund—federal appropriation are provided solely for the authority to contract for services at two distinct 16 bed programs in a facility located in Clark county to provide long-term inpatient care beds as defined in RCW 71.24.025. The beds must be used to provide treatment services for individuals who have been involuntarily committed to long-term inpatient treatment pursuant to the dismissal of criminal charges and a civil evaluation ordered under RCW 10.77.086 or 10.77.088. The authority, in coordination with the department of social and health services, must develop and implement a protocol to assess the risk of patients being considered for placement in this facility and determine whether the level of security and treatment services is appropriate to meet the patient's needs. The department must submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2022, providing a description of the protocol and a status update on progress toward opening the new facility.

(88) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$956,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for wraparound with intensive services for youth ineligible for medicaid as outlined in the settlement agreement under AGC v. Washington State Health Care Authority, Thurston county superior court no. 21-2-00479-34.

(89) \$38,230,000 of the general fund—state appropriation for fiscal year 2022 and \$18,188,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for claims for services rendered to medicaid eligible clients admitted to institutions of mental disease that were determined to be unallowable for federal reimbursement due to medicaid's institutions for mental disease exclusion rules. Of these amounts,

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\$20,042,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for belated claims for services that were rendered prior to fiscal year 2022.

(90) \$6,010,000 of the general fund—state appropriation for fiscal year 2023 and \$990,000 of the general fund—federal appropriation are provided solely for the authority, in coordination with the department of health, to deploy an opioid awareness campaign and to contract with syringe service programs and other service settings assisting people with substance use disorders to: Prevent and respond to overdoses; provide other harm reduction services and supplies, including but not limited to distributing naloxone, fentanyl, and other drug testing supplies; and for expanding contingency management services. The authority is encouraged to use these funds to leverage federal funding for this purpose to expand buying power. The authority should prioritize funds for naloxone distribution for programs or settings that are least likely to be able to bill medicaid. Of the amounts provided in this subsection, \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to deploy an opioid awareness campaign targeted at youth to increase the awareness of the dangers of fentanyl. Any moneys deposited into the general fund pursuant to section 126(41) of this act from the Purdue Pharma and Sackler family settlement must be used for the purposes of this subsection.

(91) \$2,382,000 of the general fund—state appropriation for fiscal year 2023 and \$6,438,000 of the general fund—federal appropriation are provided solely for a transition to bundled payment arrangement methodology for opioid treatment providers. Within these amounts, providers will receive a rate increase through the new methodology and the authority must direct medicaid managed care organizations, to the extent allowed under federal medicaid law, to adopt a value based bundled payment methodology in contracts with opioid treatment providers. This increase is effective January 1, 2023.

(92) \$2,387,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to support the creation of a bridge period for individuals also enrolled in the foundational community supports initiative who are transitioning from benefits under RCW 74.04.805 due to increased income or other changes in eligibility. The authority, department of social and health services, and department of commerce shall collaborate on this effort.

(93) \$1,574,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to contract with a program to provide medical respite care for individuals with behavioral health needs. The program must serve individuals with significant behavioral health needs and medical issues who do not require hospitalization but are unable to provide adequate self-care for their medical conditions. The program must prioritize services to individuals with complex medical and behavioral health issues who are homeless or who were recently discharged from a hospital setting. The services must meet quality standards and best practices developed by the national health care for the homeless council and may include, but are not limited to, medical oversight and health education; care transitions; and discharge planning to and from primary care, inpatient hospital, emergency rooms, and supportive housing. In selecting the contractor, the authority must prioritize projects that demonstrate the active involvement of an established medical provider that is able to leverage federal medicaid funding in the provision of these services. The authority must work with the medicaid managed care organizations to encourage their participation and assist the plans and the contractor in identifying mechanisms for appropriate use of medicaid reimbursement in this setting.

(94) \$490,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create a master leasing incentive program with specific emphasis on *Trueblood* programs. The authority shall also create a toolkit for use by landlords serving special populations. The authority and department of commerce shall collaborate on this effort.

(95) \$664,000 of the general fund—state appropriation for fiscal year 2023 and \$154,000 of the general fund—federal appropriation are provided solely for the authority to contract for three regional behavioral health mobile crisis response teams focused on supported housing to prevent individuals with behavioral health conditions at high risk of losing housing from becoming homeless, identify and prioritize serving the most vulnerable people experiencing homelessness, and increase alternative housing options to include short-term alternatives which may temporarily deescalate situations where there is high risk of a household from becoming homeless.

(96) \$6,027,000 of the general fund—state appropriation for fiscal year 2023 and \$2,009,000 of the general fund—federal appropriation are provided solely to create and expand access to no barrier, and low-barrier programs using a housing first model designed to assist and stabilize housing supports for adults with behavioral health conditions. Housing supports and services shall be made available with no requirement for treatment for their behavioral health condition and must be individualized to the needs of the individual. The authority and department of commerce shall collaborate on this effort. The authority and department of commerce shall collaborate on this effort and must submit a preliminary report to the office of financial management and the appropriate committees of the legislature by December 31, 2022.

(97) \$775,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create a rental voucher and bridge program and implement strategies to reduce instances where an individual leaves a state operated behavioral or private behavioral health facility directly into homelessness. The authority must prioritize this funding for individuals being discharged from state operated behavioral health facilities.

(98) \$200,000 of the general fund—state appropriation for fiscal year 2022, \$200,000 of the general fund—state appropriation for fiscal year 2023, and \$400,000 of the general fund—federal appropriation are provided solely for the authority to contract for a behavioral health comparison rate study. The study must be conducted to examine provider resources involved in developing individual covered behavioral health services and to establish benchmark payment rates that reflect the reasonable and necessary costs associated with the delivery of behavioral health services. The study must include an evaluation of actual medicaid managed care organization payment rates to the benchmark rates and summarize the results of this evaluation. The study must be conducted in a manner so that the benchmark comparison rates are incorporated into a full behavioral health fee schedule that can be used for assessing the costs associated with expansion of services, rate increases, and medicaid managed care plan state directed payments. The authority must provide a preliminary report on the study to the office of financial management and the appropriate committees of the legislature by June 30, 2023.

(99) \$382,000 of the general fund—state appropriation for fiscal year 2023 and \$254,000 of the general fund—federal appropriation are provided solely for the authority, in collaboration with the department of social and health services research and data analysis division, to implement community behavioral health service data into the existing executive management information system. Of these amounts, \$288,000 of

the general fund—state appropriation for fiscal year 2023 and \$192,000 of the general fund—federal appropriation are provided solely for the authority to reimburse the research and data analysis division for staff costs associated with this project. The data elements shall be incorporated into the monthly executive management information system reports on a phased-in basis, allowing for elements which are readily available to be incorporated in the initial phase, and elements which require further definition and data collection changes to be incorporated in a later phase. The authority must collaborate with the research and data analysis division to ensure data elements are clearly defined and must include requirements in medicaid managed care organization and behavioral health administrative services organization contracts to provide the data in a consistent and timely manner for inclusion into the system. The community behavioral health executive management system information data elements must include, but are not limited to: Psychiatric inpatient bed days; evaluation and treatment center bed days; long-term involuntary community psychiatric inpatient bed days; children's long-term inpatient bed days; substance use disorder inpatient, residential, withdrawal evaluation and management, and secure withdrawal evaluation and management bed days; crisis triage and stabilization services bed days; mental health residential bed days; mental health and substance use disorder outpatient treatment services; opioid substitution and medication assisted treatment services; program of assertive treatment team services; wraparound with intensive services; mobile outreach crisis services; recovery navigator team services; foundational community supports housing and employment services; projects for assistance in transition from homelessness services; housing and recovery through peer services; other housing services administered by the authority; mental health and substance use disorder peer services; designated crisis responder investigations and outcomes; involuntary commitment hearings and outcomes; pregnant and parenting women case management services; and single bed certifications and no available bed reports. Wherever possible and practical, the data must include historical monthly counts and shall be broken out to distinguish services to medicaid and nonmedicaid individuals and children and adults. The authority and the research and data analysis division must consult with the office of financial management and staff from the fiscal committees of the legislature on the development and implementation of the community behavioral health data elements.

(100) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to contract with a consultant to develop a Washington state behavioral health service delivery guide. The guide must include, but is not limited to, information on the service modalities, facilities, and providers that make up Washington's behavioral health delivery system. The authority must consult with behavioral health stakeholders and is permitted to enter into a data sharing agreement necessary to facilitate the production of the guide. The authority must publish the guide for the public and submit the guide to the office of financial management and the appropriate committees of the legislature by December 1, 2023.

(101) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to conduct a study on involuntary treatment access barriers related to transportation issues. The study must assess: Challenges ambulance companies and emergency responders have in billing medicaid for involuntary transportation services; whether current transportation rates are a barrier to access and if so what type of increase is needed to address this; and the possibility of creating a specialized type of involuntary transportation provider. The authority must also modify the current unavailable detention

facilities report to identify whether the reason a bed was not available was due to: Transportation issues; all beds being full at the facility; staffing shortages; inability of facilities with available beds to meet the behavioral needs of the patient; inability of facilities with available beds to meet the medical needs of the patient; or other specified reasons. The authority must submit a report to the office of financial management and the appropriate committees of the legislature with findings and recommendations from the study by December 31, 2022.

(102) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to increase contracts for recovery navigator services established in chapter 311, Laws of 2021 (ESB 5476). These amounts must be allocated to increase funding for recovery navigator services in King, Pierce, and Snohomish counties. These amounts must supplement and not supplant funding allocated, pursuant to section 22(1), chapter 311, Laws of 2021, to the regional behavioral health administrative services organizations serving those counties.

(103) \$4,213,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to support efforts by counties and cities to implement local response teams. Of these amounts:

(a) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to provide a grant to the association of Washington cities to assist cities with the costs of implementing alternative response teams. This funding must be used to reimburse cities for documented costs associated with creating co-responder teams within different alternative diversion models including law enforcement assisted diversion programs, community assistance referral and education programs, and as part of mobile crisis teams. Cities are encouraged to partner with each other to create a regional response model. In awarding these funds, the association must prioritize applicants with demonstrated capacity for facility-based crisis triage and stabilization services. The association and authority must collect and report information regarding the number of facility-based crisis stabilization and triage beds available in the locations receiving funding through this subsection and submit a report to the office of financial management and the appropriate committees of the legislature with this information by December 1, 2022.

(b) \$2,213,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Whatcom county to establish an alternative response base station. Within these amounts: \$1,477,000 is provided solely for facility renovation and equipment; \$149,000 is provided solely for acquisition of an alternative response transport vehicle; and \$587,000 is provided solely for operating expenses, including personnel, maintenance, and utility expenses.

(104) \$100,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for, on a one-time basis, the authority to address behavioral health treatment access issues resulting from workforce shortages and impacts of the COVID-19 public health emergency. This funding must be used to provide one-time assistance payments to nonhospital-based community behavioral health treatment providers receiving payment for medicaid services contracted through the medicaid managed care organizations or behavioral health administrative service organizations. The authority shall begin distributing funding under this subsection as soon as possible, and shall complete the distribution of funds by October 1, 2022. The authority must distribute funding in accordance with the following requirements:

(a) The authority must enter into appropriate agreements with recipients to ensure that this stabilization funding is used for purposes of this subsection. Prior to the receipt of funds, providers

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must agree to expend these assistance payments by June 30, 2023.

(b) Allocation methodologies must be administratively efficient and based on previous medicaid utilization, modeled after prior nongrant-based allocations, so that funding can be distributed more timely than through grant or application-based allocations. The authority must consider individuals served through medicaid and behavioral health administrative service organizations contracts in its allocation methodology.

(c) Providers must use the funding for immediate workforce retention and recruitment needs or costs incurred due to the COVID-19 public health emergency. Funds may also be used to support other needed investments to help stabilize the community behavioral health workforce including, but not limited to, childcare stipends, student loan repayment, tuition assistance, relocation expenses, or other recruitment efforts to begin adding new staff and rebuilding lost capacity.

(d) By December 1, 2022, the authority must submit an accounting to the office of financial management and the appropriate committees of the legislature that includes a list of all recipients of funding under this subsection and the amount of funding received.

(e) Within the amounts appropriated in this subsection, the authority may utilize up to \$200,000 to conduct a qualitative analysis of how recipients utilized funds for workforce retention and recruitment, which may include hiring a consultant and a survey of selected recipients. The authority must report on the findings of the qualitative analysis to the office of financial management and the appropriate committees of the legislature by December 1, 2023.

(105) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to contract with the University of Washington addictions, drug, and alcohol institute. This funding must be used to develop, refine, and pilot a new, advanced, evidence-based training for law enforcement to improve interactions with individuals who use drugs. The training must be developed so it can be adapted and used statewide to decrease stigmatizing beliefs among law enforcement through positive contact with people who use drugs and improve officer well-being and effectiveness by providing skills and techniques to address the drug overdose epidemic. The institute must develop and refine this training, leveraging prior work, and in partnership with a steering committee that includes people with lived or living experience of substance use disorder and criminal legal involvement, researchers, clinicians, law enforcement officers, and others. The training must complement, but not duplicate, existing curricula already provided by the criminal justice training commission. The institute must pilot the advanced training in a subset of regional law enforcement agencies and evaluate its acceptability and feasibility through participant interviews and pretraining and posttraining ratings of stigmatizing beliefs. The institute must incorporate feedback from the pilot training sessions into a final training program that it must make available to law enforcement agencies across the state.

(106) \$300,000 of the general fund—state appropriation for fiscal year 2023 and \$300,000 of the general fund—federal appropriation are provided on a one-time basis solely for the authority to explore the development and implementation of a sustainable, alternative payment model for comprehensive community behavioral health services, including the certified community behavioral health clinic (CCBHC) model. Funding must be used to secure actuarial expertise; conduct research into national data and other state models, including obtaining resources and expertise from the national council for mental well-being CCBHC success center; and engage stakeholders, including representatives of licensed community behavioral health agencies

and medicaid managed care organizations, in the process. The authority must provide a preliminary report to the office of financial management and the appropriate committees of the legislature with findings, recommendations, and preliminary cost estimates by December 31, 2022. The study must include:

(a) Overviews of alternate payment models and options and considerations for implementing the certified community behavioral health clinic model within Washington state;

(b) An analysis of the impact of expanding alternate payment models on the state's behavioral health systems;

(c) Relevant federal regulations and options to implement alternate payment models under those regulations;

(d) Options for payment rate designs;

(e) An analysis of the benefits and potential challenges in integrating the CCBHC reimbursement model within an integrated managed care environment;

(f) Actuarial analysis on the costs for implementing alternative payment model options, including opportunities for leveraging federal funding; and

(g) Recommendations to the legislature on a pathway for statewide implementation.

(107) \$60,000 of the general fund—state appropriation for fiscal year 2023 is provided on a one-time basis solely for the authority to provide a grant to develop an integrative cultural healing model to be implemented and managed by the Confederated Tribes of the Colville Reservation. For the purposes of this subsection, "integrative cultural healing model" means a behavioral health model developed for and by tribal and urban-based Native American partners in eastern Washington. Grant funds must be used for staff costs for implementing the model; acquisition of cultural tools, materials, and other group facilitation supplies; securing access to outdoor environments in traditional places of gathering foods, medicines, and materials; salaries for training time; and stipends, travel, and mileage reimbursement to support the participation of local elders or knowledge keepers.

(108) \$1,135,000 of the general fund—state appropriation for fiscal year 2023 and \$568,000 of the general fund—federal appropriation are provided solely to develop and operate a 16-bed substance use disorder inpatient facility in Grays Harbor county that specializes in treating pregnant and parenting women using a family preservation model. The authority must contract for these services through behavioral health entities in a manner that allows leveraging of federal medicaid funds to pay for a portion of the costs. The authority must consult with the department of children, youth, and families in the implementation of this funding. The facility must allow families to reside together while a parent is receiving treatment. Of these amounts, \$568,000 may be used for documented startup costs including the recruitment, hiring, and training of staff.

(109) \$150,000 of the general fund—state appropriation for fiscal year 2023 is provided on a one-time basis solely for the authority to provide a grant to the city of Snoqualmie to pilot behavioral health emergency response and coordination services through a regional behavioral health coordinator. The regional behavioral health coordinator shall be a licensed mental health or substance use disorder professional who works directly with and accompanies law enforcement officers and fire and rescue first responders to help respond to crises involving persons with behavioral health needs. The coordinator shall plan, implement, and coordinate services related to crisis response and social service needs with the city of Snoqualmie, the city of North Bend, the Snoqualmie police and fire departments, and the eastside fire and rescue agency serving North Bend, and local community services, school districts, hospitals, and crisis response systems

provided by King county for the region. The coordinator shall support the social services needs identified through police and fire response in the lower Snoqualmie valley and serve as a liaison between law enforcement, first responders, and persons accessing or requesting emergency services with social service needs. The authority shall collect information on the pilot project and, in coordination with the city of Snoqualmie, must submit a report to the office of financial management and the appropriate committees of the legislature by December 31, 2023, summarizing the services provided through the grant funds and identifying recommendations on how to implement effective, integrated, coordinated behavioral health emergency response and community care services. The authority must also provide the report to the criminal justice training commission, the Washington association of sheriffs and police chiefs, and the Washington fire commissioners association.

(110) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided on a one-time basis solely for the authority to conduct a study and provide data regarding challenges to receiving behavioral health services in rural communities. The study by the authority must review timely access to behavioral health services in rural areas including: (a) Designated crisis responder response times; (b) the availability of behavioral health inpatient and outpatient services; (c) wait times for hospital beds; and (d) the availability of adult and youth mobile crisis teams. The study must include recommendations on strategies to improve access to behavioral health services in rural areas in the short-term as the state works to develop and implement the recommendations of the crisis response improvement strategy committee established in chapter 302, Laws of 2021. The authority must submit a report to the office of financial management and the appropriate committees of the legislature with a summary of the data, findings, and recommendations by December 1, 2022.

(111) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to contract for services with a statewide recovery community organization. The authority must award this funding to an organization that: (a) Has experience building the capacity of the recovery community to advance substance use recovery and mental health wellness by catalyzing public understanding and shaping public policy; (b) is led and governed by representatives of local communities of recovery; (c) centers the voices of people with lived experience who are touched by addiction and mental health challenges, and harnesses the power of story to drive change in the mental health and addiction treatment systems; and (d) provides free community education, skills trainings, events, and a conference in order to increase the understanding of issues around behavioral health and recovery. Services provided by the contracted program must include education, support, and assistance to increase connection of the recovery community, recovery capital, and knowledge about recovery and mental health resources. In conducting this work, the contractor must engage diverse individuals in recovery, impacted families, and providers from all regions of the state and leverage the assistance of affiliated groups and organizations. The organization must also prioritize diversity, equity, and justice in their work to eradicate health disparities of marginalized communities.

(112) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to provide a one-time grant to a nonprofit organization to establish a program to provide pro bono counseling and behavioral health services to uninsured individuals with incomes below 300 percent of the federal poverty level. The grantee must have experience in leveraging local and philanthropic funding to coordinate pro bono health care services within Washington. The authority must

provide the funding pursuant to an appropriate agreement for documented capacity-building to begin providing pro bono counseling and behavioral health services no later than April 1, 2023. The agreement must require the grantee to seek, document, and report to the authority on efforts to leverage local, federal, or philanthropic funding to provide sustained operational support for the program.

(113) \$2,148,000 of the general fund—state appropriation for fiscal year 2023 and \$499,000 of the general fund—federal appropriation are provided solely for the authority to contract for youth inpatient navigator services in four regions of the state. The services must be provided through clinical response teams that receive referrals for children and youth inpatient services and manage a process to coordinate placements and alternative community treatment plans. Of these amounts, \$445,000 of the general fund—state appropriation and \$79,000 of the general fund—federal appropriation are provided solely to contract for services through an existing program located in Pierce county.

(114) \$1,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a contract with a licensed youth residential psychiatric substance abuse and mental health agency located in Clark and Spokane counties for reopening evaluation and treatment units, increasing staff capacity, treating patients with cooccurring substance use and acute mental health disorders, and expanding outpatient services for young adults ages 18 through 24.

(115) \$4,377,000 of the general fund—state appropriation for fiscal year 2023 and \$919,000 of the general fund—federal appropriation are provided solely for implementation of Substitute House Bill No. 1773 (assisted outpatient treatment). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(116) \$257,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1800 (behavioral health/minors). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(117) \$115,000 of the general fund—state appropriation for fiscal year 2023 and \$218,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1860 (behavioral health discharge). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(118) \$563,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the children and youth behavioral health work group to consider and develop longer term strategies and recommendations regarding the delivery of behavioral health services for children, transitioning youth, and their caregivers and meet the requirements of Second Substitute House Bill No. 1890 (children behavioral health).

(119) \$427,000 of the general fund—state appropriation for fiscal year 2023 and \$183,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1905 (homelessness/youth discharge). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(120) \$759,000 of the general fund—state appropriation for fiscal year 2023 and \$759,000 of the general fund—federal appropriation are provided solely for the authority to extend continuous eligibility for apple health to children ages zero to six with income at or below 215 percent of the federal poverty level. The centers for medicare and medicaid services must approve the 1115 medicaid waiver prior to the implementation of this policy.

(121) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to increase contingency management resources in accordance with chapter 311, Laws of

2021 (ESB 5476).

(122) \$79,000 of the general fund—state appropriation for fiscal year 2023 and \$78,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1866 (supportive housing). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(123) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for bridge funding grants to community behavioral health agencies participating in federal certified community behavioral health clinic expansion grant programs to sustain their continued level of operations following expiration of federal grant funding during the planning process for adoption of the certified community behavioral health clinic model statewide.

(124) \$12,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute Senate Bill No. 5664 (forensic competency programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(125) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the authority to contract with worldbridgers for a peer workforce expansion pilot project to increase certified peer support counselors in Clark county.

(126) \$48,000 of the general fund—state appropriation for fiscal year 2023 and \$49,000 of the general fund—federal appropriation are provided solely for the authority to create a short-term residential crisis stabilization program (RCSP) for youth with severe behavioral health diagnoses. It is the intent of the legislature to fund the contracted costs of these facilities beginning in the 2023-2025 fiscal biennium.

(127) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide information and support related to safe housing and support services for youth exiting inpatient mental health and/or substance use disorder facilities to stakeholders, inpatient treatment facilities, young people, and other community providers that serve unaccompanied youth and young adults.

(128) \$2,825,000 of the general fund—state appropriation for fiscal year 2023 and \$797,000 of the general fund—federal appropriation are provided solely for the authority to contract with opioid treatment providers to purchase five mobile methadone units and to contract for the operations of those units to fill treatment gaps statewide.

(129)(a) \$290,000 of the general fund—state appropriation for fiscal year 2023 and \$58,000 of the general fund—federal appropriation are provided solely for a task force on individuals who experience refusals of service for involuntary behavioral health treatment and then are referred to our state hospitals for forensic competency evaluation and restoration services, with members as provided in this subsection.

(i) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(ii) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(iii) The health care authority shall appoint the following members:

(A) The director of the health care authority or his or her designee;

(B) The secretary of the department of social and health services or his or her designee;

(C) The chief executive officer of western state hospital or his or her designee;

(D) The chief executive officer of eastern state hospital or his

or her designee;

(E) The Washington state attorney general or his or her designee;

(F) Two individuals with lived experience of involuntary civil commitment for behavioral health;

(G) Two individuals with lived experience as a family member of a person who experienced involuntary civil commitment for behavioral health;

(H) A representative of:

(I) The Washington state hospital association;

(II) The Washington designated crisis responder association;

(III) Behavioral health administrative services organizations;

(IV) King county;

(V) Spokane county;

(VI) The Washington association of prosecuting attorneys;

(VII) The Washington defender association; and

(VIII) A services provider for forensically involved individuals; and

(I) Up to two members from the state hospital employees exclusive bargaining unit representative, at least one of whom must have direct experience working with patients at state hospitals who have a history of violence.

(b) The task force shall choose as its cochairs one person from among its legislative members and one person from among its executive branch members. The health care authority shall convene the first meeting of the task force by June 30, 2022.

(c) The task force shall review the following issues in terms of those individuals who have a history of one or more acts of violence:

(i) Solutions to provide appropriate treatment for persons who experience difficulty obtaining placement in local evaluation and treatment facilities or secure withdrawal management and stabilization facilities due to a history of one or more violent acts as that term is defined under chapter 71.05 RCW; and

(ii) Acceptable procedures for obtaining needed medical clearance for involuntary treatment with a goal to reduce or avoid the use of emergency departments.

(d) Staff support for the task force must be provided by the health care authority.

(e) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(f) Task force expenditures for legislative members are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(g) The task force shall report preliminary findings and recommendations to the governor and appropriate committees of the legislature by October 15, 2022, and issue its final recommendations to the governor and appropriate committees of the legislature by December 1, 2022.

(130) \$3,990,000 of the general fund—state appropriation for fiscal year 2023 is provided solely with the downtown emergency service center to contract for three behavioral health response teams in King county. These teams must collaborate with regional outreach teams and agencies throughout King county and follow up with individuals after an acute crisis episode for up to three months to establish long-term community linkages and referrals to behavioral health treatment.

Sec. 216. 2021 c 334 s 216 (uncodified) is amended to read as follows:

FOR THE HUMAN RIGHTS COMMISSION

General Fund—State Appropriation (FY 2022)	(\$2,946,000)
	<u>\$3,220,000</u>
General Fund—State Appropriation (FY 2023)	(\$2,966,000)
	<u>\$3,630,000</u>
General Fund—Federal Appropriation	((2,572,000))
	<u>\$2,706,000</u>
TOTAL APPROPRIATION	((8,484,000))
	<u>\$9,556,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$1,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Senate Bill No. 5027 (television closed captions). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

Sec. 217. 2021 c 334 s 217 (uncodified) is amended to read as follows:

FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right to Know Fund—State Appropriation	\$10,000
Accident Account—State Appropriation	((24,093,000))
	<u>\$25,152,000</u>
Medical Aid Account—State Appropriation	((24,090,000))
	<u>\$25,150,000</u>
TOTAL APPROPRIATION	((48,193,000))
	<u>\$50,312,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$12,000 of the accident account—state appropriation and \$10,000 of the medical aid account—state appropriation are provided solely for the implementation of Engrossed Substitute House Bill No. 1097 (worker safety pandemic response). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

Sec. 218. 2021 c 334 s 218 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2022)	((34,677,000))
	<u>\$38,905,000</u>
General Fund—State Appropriation (FY 2023)	((34,509,000))
	<u>\$51,034,000</u>
General Fund—Private/Local Appropriation	((5,961,000))
	<u>\$8,016,000</u>
Death Investigations Account—State Appropriation	((1,216,000))
	<u>\$1,598,000</u>
Municipal Criminal Justice Assistance Account—State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account—State Appropriation	((7,167,000))
	<u>\$10,667,000</u>
<u>Washington Internet Crimes Against Children Account—State Appropriation</u>	<u>\$2,270,000</u>
24/7 Sobriety Account—State Appropriation	\$20,000
TOTAL APPROPRIATION	((84,010,000))
	<u>\$112,970,000</u>

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

(1) \$5,000,000 of the general fund—state appropriation for fiscal year 2022 and \$5,000,000 of the general fund—state appropriation for fiscal year 2023, are provided to the Washington association of sheriffs and police chiefs solely to verify the

address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130.

(2) (((\$1,504,000)) \$3,393,000 of the general fund—state appropriation for fiscal year 2022 and (((\$1,513,000)) \$5,317,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for 75 percent of the costs of providing ((five)) 9.5 additional statewide basic law enforcement trainings in ((each)) fiscal year 2022 and 13.5 additional statewide basic law enforcement trainings in fiscal year 2023. This provides a total of 19.5 classes in fiscal year 2022 and 23.5 classes in fiscal year 2023. The criminal justice training commission must schedule its funded classes to minimize wait times throughout each fiscal year and meet statutory wait time requirements. The criminal justice training commission must track and report the average wait time for students at the beginning of each class and provide the findings in an annual report to the legislature due in December of each year. At least three classes must be held in Spokane each year.

(3) The criminal justice training commission may not run a basic law enforcement academy class of fewer than 30 students.

(4) (((\$429,000 of the general fund—state appropriation for fiscal year 2022 and \$429,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for expenditure into the nonappropriated Washington internet crimes against children account)) \$2,270,000 of the Washington internet crimes against children account—state appropriation is provided solely for the implementation of chapter 84, Laws of 2015.

(5) (((\$5,000,000)) \$4,000,000 of the general fund—state appropriation for fiscal year 2022 and (((\$5,000,000)) \$4,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the mental health field response team program administered by the Washington association of sheriffs and police chiefs. The association must distribute \$7,000,000 in grants to the phase one and phase two regions as outlined in the settlement agreement under *Trueblood, et. al. v. Department of Social and Health Services, et. al.*, U.S. District Court-Western District, Cause No. 14-cv-01178-MJP. The association must submit an annual report to the Governor and appropriate committees of the legislature by September 1st of each year of the biennium. The report shall include best practice recommendations on law enforcement and behavioral health field response and include outcome measures on all grants awarded.

(6) \$899,000 of the general fund—state appropriation for fiscal year 2022 and \$899,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for crisis intervention training for the phase one regions as outlined in the settlement agreement under *Trueblood, et. al. v. Department of Social and Health Services, et. al.*, U.S. District Court-Western District, Cause No. 14-cv-01178-MJP.

(7) (((\$1,216,000)) \$1,598,000 of the death investigations account—state appropriation is provided solely for the commission to provide 240 hours of medicolegal forensic investigation training to coroners and medical examiners to meet the recommendations of the national commission on forensic science for certification and accreditation.

(8) \$13,000 of the general fund—state appropriation for fiscal year 2022, \$26,000 of the general fund—state appropriation for fiscal year 2023, and \$12,000 of the general fund—local appropriation are provided solely for an increase in vendor rates on the daily meals provided to basic law enforcement academy recruits during their training.

(9)(a) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement chapter 378, Laws of 2019 (alternatives to arrest/jail).

(b) \$300,000 of the general fund—state appropriation for fiscal

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year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for evaluation of grant-funded programs under chapter 378, Laws of 2019 (alternatives to arrest/jail).

(10) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington association of sheriffs and police chiefs to administer the sexual assault kit initiative project under RCW 36.28A.430, to assist multidisciplinary community response teams seeking resolutions to cases tied to previously unsubmitted sexual assault kits, and to provide support to survivors of sexual assault offenses. The commission must report to the governor and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations by June 30, 2022, on the number of sexual assault kits that have been tested, the number of kits remaining to be tested, the number of sexual assault cases that had hits to other crimes, the number of cases that have been reinvestigated, the number of those cases that were reinvestigated using state funding under this appropriation, and the local jurisdictions that were a recipient of a grant under the sexual assault kit initiative project.

(11) \$20,000 of the general fund—state appropriation for fiscal year 2022 and \$20,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a helmet distribution program in order to reduce traumatic brain injuries throughout the state. Of these amounts:

(a) \$10,000 of the general fund—state appropriation for fiscal year 2022 and \$10,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to the Washington fire chiefs association to provide helmets to persons contacted by an official of a local fire department for not wearing a helmet while riding a skateboard or bicycle; and

(b) \$10,000 of the general fund—state appropriation for fiscal year 2022 and \$10,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the Washington association of sheriffs and police chiefs to distribute to local law enforcement agencies to provide helmets to persons contacted by an official of a local law enforcement agency for not wearing a helmet while riding a skateboard or bicycle.

(12) \$307,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for chapter 294, Laws of 2020 (critical stress management programs).

(13) \$727,000 of the general fund—state appropriation for fiscal year 2022, \$727,000 of the general fund—state appropriation for fiscal year 2023, and \$248,000 of the general fund—local appropriation are provided solely for chapter 119, Laws of 2020 (correctional officer certification).

(14) \$406,000 of the general fund—state appropriation for fiscal year 2022 and \$408,000 of the general fund—state appropriation for fiscal year 2023 are provided to the Washington association of sheriffs and police chiefs solely to establish a behavioral health support and suicide prevention program for law enforcement officers. The program will begin with grants to three pilot locations and will leverage access to mental health professionals, critical stress management, and resiliency training.

(15) \$1,883,000 of the general fund—state appropriation for fiscal year 2022 and \$1,986,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5051 (peace officer oversight). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(16) \$474,000 of the general fund—state appropriation for fiscal year 2022 and \$446,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for

implementation of Substitute Senate Bill No. 5066 (officer duty to intervene). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(17) \$151,000 of the general fund—state appropriation for fiscal year 2022 and \$148,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to support the participation of the Washington association of sheriffs and police chiefs in the joint legislative task force on jail standards created in section 957 of this act.

(18) \$374,000 of the general fund—state appropriation for fiscal year 2022 and \$296,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute House Bill No. 1267 (office of independent investigations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(19) \$31,000 of the general fund—state appropriation for fiscal year 2022 and \$31,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Substitute House Bill No. 1088 (impeachment disclosures). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(20) \$269,000 of the general fund—state appropriation for fiscal year 2022 and \$261,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of House Bill No. 1001 (law enforcement professional development). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(21) \$25,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Engrossed Substitute House Bill No. 1054 (peace officer tactics and equipment). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(22) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$40,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1310 (use of force). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(23) \$25,000 of the general fund—state appropriation for fiscal year 2022 and \$25,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute House Bill No. 1109 (victims of sexual assault). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(24) \$30,000 of the general fund—state appropriation for fiscal year 2022 and \$30,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for additional grants to local jurisdictions to investigate instances where a purchase or transfer of a firearm was attempted by an individual who is prohibited from owning or possessing a firearm.

(25) \$2,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the criminal justice training commission to provide grant funding to local law enforcement agencies to support law enforcement wellness programs. Of the amount provided in this subsection:

(a) \$1,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the commission to provide grants to local law enforcement agencies for the purpose of establishing officer wellness programs. Grants provided under this subsection may be used for, but not limited to building resilience, injury prevention, peer support programs, physical fitness, proper nutrition, stress management, suicide prevention, and physical or behavioral health services. The commission must consult with a representative from the Washington association of

sheriffs and police chiefs and a representative of the Washington state fraternal order of police and the Washington council of police and sheriffs in the development of the grant program.

(b) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington association of sheriffs and police chiefs to establish and coordinate an online or mobile-based application for any Washington law enforcement officer; 911 operator or dispatcher; and any other current or retired employee of a Washington law enforcement agency, and their families, to anonymously access on-demand wellness techniques, suicide prevention, resilience, physical fitness, nutrition, and other behavioral health and wellness supports.

(26) \$290,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for academy training for limited authority Washington peace officers employed by the Washington state gambling commission, Washington state liquor and cannabis board, Washington state parks and recreation commission, department of natural resources, and the office of the insurance commissioner.

(a) Up to 30 officers must be admitted to attend the basic law enforcement academy and up to 30 officers must be admitted to attend basic law enforcement equivalency academy.

(b) Allocation of the training slots amongst the agencies must be based on the earliest application date to the commission. Training does not need to commence within six months of employment.

(c) The state agencies must reimburse the commission for the actual cost of training.

(27) \$1,575,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the Washington association of sheriffs and police chiefs to distribute to local law enforcement agencies for training of chapter 324, Laws of 2021 (permissible uses of force).

(28) \$2,150,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the Washington association of sheriffs and police chiefs to distribute to local law enforcement agencies for training of chapter 321, Laws of 2021 (duty to intervene).

(29) \$525,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the Washington association of sheriffs and police chiefs to distribute to local law enforcement agencies for training required under Substitute House Bill No. 1735 (use of force by peace officers). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(30) \$1,050,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the Washington association of sheriffs and police chiefs to distribute to local law enforcement agencies for training required under Engrossed Substitute House Bill No. 2037 (use of force by peace officers). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(31) \$525,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the Washington association of sheriffs and police chiefs to distribute to local law enforcement agencies for training required under Engrossed Senate Bill No. 5919 (use of force by peace officers). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(32) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for body camera grant funding to local law enforcement agencies.

(a) The Washington association of sheriffs and police chiefs shall develop and implement a body-worn camera grant program. The purpose of the program is to assist law enforcement agencies to establish and expand body-worn camera programs.

(b) Law enforcement agencies may use the grants for: (i) The initial purchase, maintenance, and replacement of body-worn cameras; (ii) ongoing costs related to the maintenance and storage of data recorded by body-worn cameras; (iii) costs associated with public records requests for body-worn camera footage; and (iv) hiring of personnel necessary to operate a body-worn camera program.

(c) The Washington association of sheriffs and police chiefs shall develop and implement a grant application process and review applications from agencies based on locally developed proposals to establish or expand body-worn camera programs.

(d) Law enforcement agencies that are awarded grants must:

(i) Comply with the provisions of chapter 10.109 RCW;

(ii) Demonstrate the ability to redact body-worn camera footage consistent with RCW 42.56.240 and other applicable provisions;

(iii) Provide training to officers who will wear body-worn cameras and other personnel associated with implementation of the body-worn camera program; and

(iv) Agree to comply with any data collection and reporting requirements that are established by the Washington association of sheriffs and police chiefs.

(e) The Washington association of sheriffs and police chiefs must submit an annual report regarding the grant program to the governor and appropriate committees of the legislature by December 1st of each year the program is funded. The report must be submitted in compliance with RCW 43.01.036.

(33) \$150,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the criminal justice training commission to support an instructor to teach a model use of force and deescalation tactics training to local peace officers across the state. The goal is to establish and disseminate a standard use of force training program that is uniform throughout the state for currently employed peace officers.

Sec. 219. 2021 c 334 s 219 (uncodified) is amended to read as follows:

FOR THE OFFICE OF INDEPENDENT INVESTIGATIONS

General Fund—State Appropriation (FY 2022)	(((\$7,063,000)) \$8,289,000
General Fund—State Appropriation (FY 2023)	(((\$12,657,000)) \$15,656,000
TOTAL APPROPRIATION	(((\$19,720,000)) \$23,945,000

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

(1) The appropriations in this section are provided solely for the implementation of Engrossed Substitute House Bill No. 1267 (establishing an office of independent investigations), to create an office within the office of the governor for the purposes of investigating deadly force incidents involving peace officers. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(2) \$1,295,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for contracting with the Washington state patrol for laboratory-based testing and processing of crime scene evidence collected during investigations.

(3) \$1,173,000 of the general fund—state appropriation for fiscal year 2022 and \$1,148,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the purchase of information technology equipment.

(4) \$251,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for contracted specialized training

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for investigators relating to death investigations in cases involving deadly force.

Sec. 220. 2021 c 334 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund—State Appropriation (FY 2022)	(((\$13,752,000)) <u>\$12,070,000</u>)
General Fund—State Appropriation (FY 2023)	(((\$15,492,000)) <u>\$27,358,000</u>)
General Fund—Federal Appropriation	(((\$11,876,000)) <u>\$20,839,000</u>)
Asbestos Account—State Appropriation	(((\$573,000)) <u>\$598,000</u>)
Electrical License Account—State Appropriation	(((\$56,707,000)) <u>\$59,225,000</u>)
Farm Labor Contractor Account—State Appropriation	\$28,000
Worker and Community Right to Know Fund—State Appropriation	(((\$1,000,000)) <u>\$1,062,000</u>)
Construction Registration Inspection Account—State Appropriation	(((\$28,947,000)) <u>\$30,231,000</u>)
Public Works Administration Account—State Appropriation	(((\$9,352,000)) <u>\$11,420,000</u>)
Manufactured Home Installation Training Account—State Appropriation	(((\$395,000)) <u>\$424,000</u>)
Accident Account—State Appropriation	(((\$366,060,000)) <u>\$383,862,000</u>)
Accident Account—Federal Appropriation	(((\$16,047,000)) <u>\$16,071,000</u>)
Medical Aid Account—State Appropriation	(((\$366,663,000)) <u>\$383,187,000</u>)
Medical Aid Account—Federal Appropriation	(((\$3,608,000)) <u>\$3,617,000</u>)
Plumbing Certificate Account—State Appropriation	(((\$3,316,000)) <u>\$3,481,000</u>)
Pressure Systems Safety Account—State Appropriation	(((\$4,582,000)) <u>\$4,800,000</u>)
TOTAL APPROPRIATION	(((\$898,398,000)) <u>\$958,273,000</u>)

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

(1) (((\$8,551,000)) \$4,363,000 of the accident account—state appropriation and (((\$8,551,000)) \$4,363,000 of the medical aid account—state appropriation are provided solely for the labor and industries workers' compensation information system replacement project. This subsection is subject to the conditions, limitations, and review provided in section 701 of this act. The department must:

(a) Submit a report by August 1, 2021, on the quantifiable deliverables accomplished in fiscal years 2020 and 2021 and the amount spent by each deliverable in each of the following subprojects:

- (i) Business readiness;
- (ii) Change readiness;
- (iii) Commercial off the shelf procurement;

- (iv) Customer access;
 - (v) Program foundations;
 - (vi) Independent assessment; and
 - (vii) In total by fiscal year;
- (b) Submit quarterly data within 30 calendar days of the end of each quarter, effective July 1, 2021, on:

(i) All of the quantifiable deliverables accomplished by subprojects identified in (a)(i) through (vi) of this subsection and in total and the associated expenditures by each deliverable by fiscal month;

(ii) The contract full time equivalent charged by subprojects identified in (a)(i) through (vi) of this subsection, and in total, compared to the budget spending plan by month for each contracted vendor and what the ensuing contract equivalent budget spending plan by subprojects identified in (a)(i) through (vi) of this subsection, and in total, assumes by fiscal month;

(iii) The performance metrics by subprojects identified in (a)(i) through (vi) of this subsection, and in total, that are currently used, including monthly performance data; and

(iv) The risks identified independently by at least the quality assurance vendor and the office of the chief information officer, and how the project:

- (A) Has mitigated each risk; and
- (B) Is working to mitigate each risk, and when it will be mitigated;

(c) Submit the reports in (a) and (b) of this subsection to fiscal and policy committees of the legislature; and

(d) Receive an additional gated project sign off by the office of financial management, effective September 1, 2021. Prior to spending any project funding in this subsection each quarter, there is an additional gate of approval required for this project. The director of financial management must agree that the ((reporting data provided each quarter)) project shows accountability, effective and appropriate use of the funding, and that risks are being mitigated to the spending and sign off on the spending for the ensuing quarter.

(2) \$250,000 of the medical aid account—state appropriation and \$250,000 of the accident account—state appropriation are provided solely for the department of labor and industries safety and health assessment and research for prevention program to conduct research to address the high injury rates of the janitorial workforce. The research must quantify the physical demands of common janitorial work tasks and assess the safety and health needs of janitorial workers. The research must also identify potential risk factors associated with increased risk of injury in the janitorial workforce and measure workload based on the strain janitorial work tasks place on janitors' bodies. The department must conduct interviews with janitors and their employers to collect information on risk factors, identify the tools, technologies, and methodologies used to complete work, and understand the safety culture and climate of the industry. The department must produce annual progress reports through the year 2022 or until the tools are fully developed and deployed. The annual progress report must be submitted to the governor and legislature by December 1st of each year such report is due.

(3) \$258,000 of the accident account—state appropriation and \$258,000 of the medical aid account—state appropriation are provided solely for the department of labor and industries safety and health assessment research for prevention program to conduct research to prevent the types of work-related injuries that require immediate hospitalization. The department will develop and maintain a tracking system to identify and respond to all immediate in-patient hospitalizations and will examine incidents in defined high-priority areas, as determined from historical data and public priorities. The research must identify and characterize

hazardous situations and contributing factors using epidemiological, safety-engineering, and human factors/ergonomics methods. The research must also identify common factors in certain types of workplace injuries that lead to hospitalization. The department must submit a report to the governor and appropriate legislative committees by August 30, 2021, and annually thereafter, summarizing work-related immediate hospitalizations and prevention opportunities, actions that employers and workers can take to make workplaces safer, and ways to avoid severe injuries.

(4)(a) \$2,000,000 of the general fund—state appropriation for fiscal year 2022 and \$2,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to promote workforce development in aerospace and aerospace related supply chain industries by: Expanding the number of registered apprenticeships, preapprenticeships, and aerospace-related programs; and providing support for registered apprenticeships or programs in aerospace and aerospace-related supply chain industries.

(b) Grants awarded under this section may be used for:

(i) Equipment upgrades or new equipment purchases for training purposes;

(ii) New training space and lab locations to support capacity needs and expansion of training to veterans and veteran spouses, and underserved populations;

(iii) Curriculum development and instructor training for industry experts;

(iv) Tuition assistance for degrees in engineering and high-demand degrees that support the aerospace industry; and

(v) Funding to increase capacity and availability of child care options for shift work schedules.

(c) An entity is eligible to receive a grant under this subsection if it is a nonprofit, nongovernmental, or institution of higher education that provides training opportunities, including apprenticeships, preapprenticeships, preemployment training, aerospace-related degree programs, or incumbent worker training to prepare workers for the aerospace and aerospace-related supply chain industries.

(d) The department may use up to 5 percent of these funds for administration of these grants.

(5) \$3,632,000 of the accident account—state appropriation and \$876,000 of the medical aid account—state appropriation are provided solely for the creation of an agriculture compliance unit within the division of occupational safety and health. The compliance unit will perform compliance inspections and provide bilingual outreach to agricultural workers and employers.

(6) \$2,849,000 of the construction registration inspection account—state appropriation, \$152,000 of the accident account—state appropriation, and \$31,000 of the medical aid account—state appropriation are provided solely for the conveyance management system replacement project and are subject to the conditions, limitations, and review provided in section 701 of this act.

(7) ~~(\$4,380,000)~~ (a) \$4,044,000 of the medical aid account—state appropriation is provided solely for the implementation of the provider credentialing system project and is subject to the conditions, limitations, and review provided in section 701 of this act.

(b) \$336,000 of the medical aid account—state appropriation is provided solely for the maintenance and operation of the provider credentialing project.

(8) \$530,000 of the accident account—state appropriation and \$94,000 of the medical aid account—state appropriation are provided solely for the department to conduct infectious disease rule making to ensure the state has general guidelines to follow in the case of an infectious disease outbreak and to provide

education and outreach.

(9) \$334,000 of the accident account—state appropriation and \$60,000 of the medical aid account—state appropriation are provided for the maintenance and operating costs of the isolated worker protection information technology project.

(10) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to analyze patients who are maintained on chronic opioids. The department must submit a report of its findings to the governor and the appropriate committees of the legislature no later than October 1, 2023. The report shall include analysis of patient data, describing the characteristics of patients who are maintained on chronic opioids and their clinical needs, and a preliminary evaluation of potential interventions to improve care and reduce harms in this population.

(11) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to an organization in Pierce county experienced in providing peer-to-peer training, in order to develop and implement a program aimed at reducing workplace sexual harassment in the agricultural sector, with the following deliverables:

(a) Peer-to-peer training and evaluation of sexual harassment training curriculum; and

(b) The building of a statewide network of peer trainers as farmworker leaders whose primary purpose is to prevent workplace sexual harassment and assault through leadership, education, and other tools.

(12) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a work group to investigate how to make Washington's industrial insurance system easier to access for employers and hiring entities to provide industrial insurance coverage for domestic workers.

(a) Domestic workers include, but are not limited to: Housecleaners, nannies, gardeners, and day laborers, including but not limited to those who may perform maintenance or repair work in or about the private home of the employer or hiring entity.

(b) The work group shall make recommendations to the governor and appropriate legislative committees on legislative, regulatory, or other changes that would make the industrial insurance system easier for day laborers and their employers to access. This work group will also explore the possible role of intermediary nonprofit organizations that assist and refer domestic workers and day laborers.

(c) The work group shall be comprised of the following representatives, to be appointed by the governor by July 1, 2021:

(i) Two representatives who are directly impacted domestic workers who work for private home employers or hiring entities;

(ii) Two representatives who are directly impacted day laborers who work for private home employers or hiring entities;

(iii) Two representatives from unions, workers' centers, or intermediary nonprofit organizations that assist and/or refer such directly impacted workers;

(iv) Two employer or hiring entity representatives who directly employ or hire single domestic workers in private homes;

(v) One employer or hiring entity representative who directly employs or hires day laborers in a private home;

(vi) One representative from a nonprofit organization that educates and organizes household employers; and

(vii) Representatives from the department, serving in an ex officio capacity.

(d) The department shall convene the work group by August 1, 2021, and shall meet at least once every two months and may meet

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remotely in order to accommodate the involvement of domestic worker and day laborer representatives.

(e) The work group shall deliver its report and recommendations to the governor and the appropriate committees of the legislature no later than November 4, 2022.

(13) \$237,000 of the accident account—state appropriation and \$184,000 of the medical aid account—state appropriation are provided solely for costs associated with the implementation of Engrossed Substitute Senate Bill No. 5115 (health emergency/labor). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(14) ((\$825,000)) \$1,228,000 of the accident account—state appropriation and ((\$620,000)) \$217,000 of the medical aid account—state appropriation are provided solely for costs associated with the implementation of Engrossed Substitute Senate Bill No. 5172 (agricultural overtime). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(15) \$760,000 of the general fund—state appropriation for fiscal year 2022 and \$1,393,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5183 (nonfatal strangulation). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(16) \$367,000 of the accident account—state appropriation and \$366,000 of the medical aid account—state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5190 (health care workers/benefits). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(17) \$1,626,000 of the accident account—state appropriation and \$288,000 of the medical aid account—state appropriation are provided solely for the purpose of providing a temporary 7.5 percent increase to the base rate of pay for the compliance field positions in the following job classifications: Safety and health specialist 3, safety and health specialist 4, industrial hygienist 3, and industrial hygienist 4, who are responsible for inspections, investigations, and enforcement related to the COVID-19 pandemic, not including consultation staff within these classifications. The increase shall be effective July 1, 2021, until June 30, 2023. Expenditure of the amount provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this subsection.

(18) \$298,000 of the accident account—state appropriation and \$53,000 of the medical aid account—state appropriation are provided solely for the implementation of Engrossed Substitute House Bill No. 1097 (increasing worker protections). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(19) \$1,360,000 of the accident account—state appropriation and \$240,000 of the medical aid account—state appropriation are provided solely for the department of labor and industries, in coordination with the Washington state apprenticeship training council, to establish behavioral health apprenticeship programs. The behavioral health apprenticeship programs shall be administered by the Washington state apprenticeship training council. The amounts provided in this subsection must be used to compensate behavioral health providers for the incurred operating costs associated with the apprenticeship program, including apprentice compensation, staff support and supervision of apprentices, development of on-the-job training catalogs for apprentices, and provider incentives for implementing a behavioral health apprenticeship program. In awarding this

funding, special preference must be given to small or rural behavioral health providers and those that serve higher percentages of individuals from black, indigenous, and people of color communities.

(20) \$65,000 of the accident account—state appropriation and \$66,000 of the medical aid account—state appropriation are provided solely for the implementation of Substitute House Bill No. 1455 (social security/L&I & ESD). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(21) \$584,000 of the accident account—state appropriation and \$584,000 of the medical aid account—state appropriation are provided solely for costs associated with staff overtime affiliated with the state emergency operations center. Prior to utilizing these funds, the department of labor and industries must collaborate with the military department to determine if any overtime costs may be eligible for reimbursement from the federal emergency management agency.

(22) \$961,000 of the accident account—state appropriation and \$169,000 of the medical aid account—state appropriation are provided solely for enhancements to the apprenticeship registration and tracking computer system to align data collection with federal regulations and to create functionality that allows for web-based document uploading. This project is subject to the conditions, limitations, and review provided in section 701 of this act.

(23) \$350,000 of the accident account—state appropriation and \$350,000 of the medical aid account—state appropriation are provided solely for the completion of the licensing and certification administrators IT project to meet the implementation requirements of chapter 277, Laws of 2020 (SHB 2409). This project is subject to the conditions, limitations, and review provided in section 701 of this act.

(24) \$897,000 of the medical aid account—state appropriation is provided solely to cover the overhead rent costs to increase the number of labor and industry vocational specialists embedded in WorkSource offices and to implement a comprehensive quality-assurance team to ensure the continuous improvement of vocational services for injured workers through the workers' compensation program.

(25) \$821,000 of the public works administration account—state appropriation is provided solely to expand capacity to investigate and enforce prevailing-wage complaints.

(26) \$794,000 of the public works administration account—state appropriation is provided solely for planning and requirements gathering to make system improvements to the prevailing wage program information technology system. Of the amount in this subsection, \$300,000 is for two permanent information technology developers to maintain the system. This project is subject to the conditions, limitations, and review provided in section 701 of this act.

(27) \$2,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create and administer a grant program intended to modernize the technology and remote learning infrastructure within existing state registered apprenticeship programs as provided in Engrossed Second Substitute Senate Bill No. 5600 (apprenticeship programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse. Grant applications must include a plan to sustain the investment over time. Up to five percent of the total amount provided in this subsection can be used to cover administrative expenses.

(28) \$4,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create and administer a grant program intended to upgrade apprenticeship program equipment

to better replicate conditions on the job during the training of apprentices as provided in Engrossed Second Substitute Senate Bill No. 5600 (apprenticeship programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse. The grant program is limited to state registered apprenticeship programs. Up to five percent of the total within this subsection can be used to cover administrative expenses.

(29) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create and administer a grant program intended to provide wraparound support services to mitigate barriers to beginning or participating in state registered apprenticeship programs as provided in Engrossed Second Substitute Senate Bill No. 5600 (apprenticeship programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse. Up to five percent of the amount provided in this subsection may be used to cover administrative expenses.

(30) \$12,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for vouchers to cover the cost of driver's education courses for minors enrolled in a state registered apprenticeship program as provided in Engrossed Second Substitute Senate Bill No. 5600 (apprenticeship programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(31) \$205,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to start conducting a four-year retention study of state registered apprentices as provided in Engrossed Second Substitute Senate Bill No. 5600 (apprenticeship programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse. The study shall include the collection of data from all apprentices three months into their apprenticeship to understand challenges and barriers they face towards program participation. The aggregate data by trade must be displayed on a publicly available dashboard. Study data must be provided with apprenticeship coordinators to implement an early response to connect apprentices with needed supports. The department shall submit an annual report to the governor and appropriate legislative committees beginning June 30, 2023.

(32) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to explore requirements needed to create a centralized technical support system for new nontraditional apprenticeship programs to help applicants navigate and start the process.

(33) \$207,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5814 (child abuse/medical evaluation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(34) \$191,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5600 (apprenticeship programs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(35) \$454,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5714 (solar canopies tax deferral). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(36) \$412,000 of the accident account—state appropriation and \$73,000 of the medical aid account—state appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5761 (wage and salary information). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(37) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a nonprofit

organization that will support development, outreach, and recruitment to provide job readiness skills and apprenticeship training to public school paraeducators to support college degree attainment to become certified teachers. The grant recipient must be a nonprofit organization serving classified public school employees statewide.

(38) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to create a certified nursing assistant model joint labor-management apprenticeship program to address the certified nursing assistant staffing crisis in skilled nursing facilities by improving workforce recruitment and retention, reducing barriers to entry, and restoring the pipeline of entry level health care professionals into skilled nursing facilities.

(39) \$2,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the crime victims' compensation program to pay for medical exams for suspected victims of domestic violence. Neither the hospital, medical facility, nor victim is to pay for the cost of the medical exam. This funding must not supplant existing funding for sexual assault medical exams. If the cost of medical exams exceeds the funding provided in this subsection, the program shall not reduce the reimbursement rates for medical providers seeking reimbursement for other claimants, and instead the program shall return to paying for domestic violence medical exams after insurance.

(40) \$454,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1988 (clean tech. tax deferrals). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(41) \$6,000,000 of the driver resource center fund nonappropriated account—state appropriation, \$313,000 of the accident account—state appropriation, and \$57,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 2076 (transp. network companies). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

Sec. 221. 2021 c 334 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

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

(a) The department of veterans affairs shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys that are unrelated to the coronavirus response and not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys that are unrelated to the coronavirus response, those moneys must be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(b) Each year, there is fluctuation in the revenue collected to support the operation of the state veteran homes. When the department has foreknowledge that revenue will decrease, such as from a loss of census or from the elimination of a program, the legislature expects the department to make reasonable efforts to

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reduce expenditures in a commensurate manner and to demonstrate that it has made such efforts. In response to any request by the department for general fund—state appropriation to backfill a loss of revenue, the legislature shall consider the department’s efforts in reducing its expenditures in light of known or anticipated decreases to revenues.

(2) HEADQUARTERS

General Fund—State Appropriation (FY 2022)	(\$3,966,000)
	<u>\$4,094,000</u>
General Fund—State Appropriation (FY 2023)	(\$3,791,000)
	<u>\$4,199,000</u>
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
TOTAL APPROPRIATION	(\$7,767,000)
	<u>\$8,303,000</u>

(3) FIELD SERVICES

General Fund—State Appropriation (FY 2022)	(\$8,121,000)
	<u>\$8,200,000</u>
General Fund—State Appropriation (FY 2023)	(\$7,878,000)
	<u>\$9,313,000</u>
General Fund—Federal Appropriation	(\$4,412,000)
	<u>\$9,116,000</u>
General Fund—Private/Local Appropriation	(\$4,959,000)
	<u>\$6,730,000</u>
Veteran Estate Management Account—Private/Local Appropriation	\$717,000
TOTAL APPROPRIATION	(\$26,087,000)
	<u>\$34,076,000</u>

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

(a) \$449,000 of the general fund—state appropriation for fiscal year 2022 and \$449,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for supporting the statewide plan to reduce suicide among service members, veterans, and their families. No later than December 1, 2022, the department must submit to the appropriate fiscal committees of the legislature a report that describes how the funding provided in this subsection was spent, including the numbers of individuals served and the types of services provided.

(b) \$233,000 of the general fund—state appropriation for fiscal year 2022 and \$233,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the traumatic brain injury program to reduce homelessness, domestic violence, and intimate partner violence impacts to the behavioral health system and justice system. No later than December 1, 2022, the department must submit to the appropriate fiscal committees of the legislature a report that describes how the funding provided in this subsection was spent, including the numbers of individuals served and the types of services provided.

(c) \$300,000 of the general fund—state appropriation for fiscal year 2022 and ((\$300,000)) \$600,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for two veterans service officers, one located in eastern Washington and one located in western Washington, in fiscal year 2022 and for four veterans service officers in fiscal year 2023. In fiscal year 2023, two veterans service officers must be located in eastern Washington and two veterans service officers must be located in western Washington.

(d) \$677,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1181 (veterans & military suicide). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(e) \$57,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation

for fiscal year 2023 are provided solely for the department to contract with an entity that provides accredited peer support training for both veterans and community service members. The funding provided in this subsection is in addition to the department’s existing appropriation for its in-house peer support program. No later than June 30, 2023, the department must report to the legislature regarding the number of peer supporters trained pursuant to the contract under this subsection.

(4) ((INSTITUTIONAL SERVICES)) **STATE VETERANS HOMES PROGRAM**

General Fund—State Appropriation (FY 2022)	(\$10,991,000)
	<u>\$16,346,000</u>
General Fund—State Appropriation (FY 2023)	(\$12,510,000)
	<u>\$23,581,000</u>
General Fund—Federal Appropriation	(\$108,522,000)
	<u>\$110,588,000</u>
General Fund—Private/Local Appropriation	(\$21,794,000)
	<u>\$18,635,000</u>
TOTAL APPROPRIATION	(\$153,817,000)
	<u>\$169,150,000</u>

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

(a) If the department receives additional unanticipated federal resources that are unrelated to the coronavirus response at any point during the remainder of the 2021-2023 fiscal biennium, an equal amount of general fund—state must be placed in unallotted status so as not to exceed the total appropriation level specified in this subsection. The department may submit as part of the policy level budget submittal documentation required by RCW 43.88.030 a request to maintain the general fund—state resources that were unallotted as required by this subsection.

(b) \$234,000 of the general fund—state appropriation for fiscal year 2022 and \$222,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Substitute House Bill No. 1218 (long-term care residents). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) CEMETERY SERVICES

General Fund—State Appropriation (FY 2022)	\$85,000
General Fund—State Appropriation (FY 2023)	(\$101,000)
	<u>\$124,000</u>
General Fund—Federal Appropriation	\$710,000
TOTAL APPROPRIATION	(\$896,000)
	<u>\$919,000</u>

Sec. 222. 2021 c 334 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2022)	(\$99,870,000)
	<u>\$112,474,000</u>
General Fund—State Appropriation (FY 2023)	(\$96,638,000)
	<u>\$133,094,000</u>
General Fund—Federal Appropriation	(\$569,921,000)
	<u>\$577,500,000</u>
General Fund—Private/Local Appropriation	(\$234,627,000)
	<u>\$248,316,000</u>
Hospital Data Collection Account—State Appropriation	(\$428,000)
	<u>\$472,000</u>
Health Professions Account—State Appropriation	(\$146,975,000)
	<u>\$157,658,000</u>

Aquatic Lands Enhancement Account—State Appropriation	(\$633,000)	<u>\$637,000</u>
Emergency Medical Services and Trauma Care Systems Trust Account—State Appropriation	(\$10,053,000)	<u>\$10,105,000</u>
Safe Drinking Water Account—State Appropriation	(\$5,976,000)	<u>\$7,237,000</u>
Drinking Water Assistance Account—Federal Appropriation	(\$16,759,000)	<u>\$20,908,000</u>
Waterworks Operator Certification Account—State Appropriation	(\$1,978,000)	<u>\$2,006,000</u>
Drinking Water Assistance Administrative Account—State Appropriation	(\$1,604,000)	<u>\$1,634,000</u>
Site Closure Account—State Appropriation	(\$180,000)	<u>\$186,000</u>
Biotoxin Account—State Appropriation	(\$1,675,000)	<u>\$1,727,000</u>
Model Toxics Control Operating Account—State Appropriation	(\$7,555,000)	<u>\$7,750,000</u>
Medical Test Site Licensure Account—State Appropriation	(\$3,187,000)	<u>\$3,275,000</u>
Secure Drug Take-Back Program Account—State Appropriation	(\$299,000)	<u>\$1,435,000</u>
Youth Tobacco and Vapor Products Prevention Account—State Appropriation	(\$3,222,000)	<u>\$3,242,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2022)	(\$10,538,000)	<u>\$10,584,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2023)	(\$10,562,000)	<u>\$11,800,000</u>
Public Health Supplemental Account—Private/Local Appropriation	(\$3,619,000)	<u>\$3,702,000</u>
Accident Account—State Appropriation	(\$348,000)	<u>\$368,000</u>
Medical Aid Account—State Appropriation	(\$53,000)	<u>\$57,000</u>
<u>Statewide 988 Behavioral Health Crisis Response Line Account—State Appropriation</u>		<u>\$10,280,000</u>
<u>Coronavirus State Fiscal Recovery Fund—Federal Appropriation</u>		<u>\$144,364,000</u>
TOTAL APPROPRIATION	(\$1,226,700,000)	<u>\$1,470,811,000</u>

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

(1) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal

funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(2) During the 2021-2023 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(3) In accordance with RCW 43.70.110 and 71.24.037, the department is authorized to adopt license and certification fees in fiscal years 2022 and 2023 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(4) Within the amounts appropriated in this section, and in accordance with RCW 70.41.100, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 70.41.080.

(5) In accordance with RCW 43.70.110 and 71.24.037, the department is authorized to adopt fees for the review and approval of mental health and substance use disorder treatment programs in fiscal years 2022 and 2023 as necessary to support the costs of the regulatory program. The department's fee schedule must have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(6) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that projects are planned for in a manner that ensures the efficient use of state resources, supports the adoption of a cohesive technology and data architecture, and maximizes federal financial participation. The work of the coalition and any project identified as a coalition

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project is subject to the conditions, limitations, and review provided in section 701 of this act.

(7) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(8) Within the amounts appropriated in this section, and in accordance with RCW 43.70.110 and 71.12.470, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 71.12.485.

(9) \$26,855,000 of the general fund—local appropriation is provided solely for the department to provide core medical services, case management, and support services for individuals living with human immunodeficiency virus.

(10) \$17,000 of the health professions account—state appropriation is provided solely for the implementation of Senate Bill No. 5018 (acupuncture and eastern med.) ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(11) \$703,000 of the general fund—state appropriation for fiscal year 2022 and \$703,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5052 (health equity zones). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(12) ((\$73,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Second Substitute Senate Bill No. 5062 (data). If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(13))) \$79,000 of the general fund—state appropriation for fiscal year 2022 and \$76,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5119 (individuals in custody). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(14) \$1,333,000)) (13) \$873,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,117,000)) \$1,577,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5141 (env. justice task force recs). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(15))) (14) \$13,000 of the general fund—state appropriation for fiscal year 2022 and \$13,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5195 (opioid overdose medication). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(16) \$74,000 of the general fund—state appropriation for fiscal year 2022 and \$74,000 of the general fund—federal appropriation are)) (15) \$187,000 of the health professions account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5229 (health equity continuing ed.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(17))) (16) \$50,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a grant to the Pierce county center for dispute resolution to convene a task force, staffed by the Pierce county center for dispute resolution, to review and make recommendations on bringing the current practice of dental therapy on tribal lands to a statewide scale, and on the practice,

supervision, and practice settings needed to maximize the effectiveness of dental therapy. The Pierce county center for dispute resolution must submit a report to the legislature by December 1, 2021.

(a) Members of the task force must include:

(i) Three representatives from different organizations that represent individuals or underserved communities, including but not limited to children, seniors, African Americans, Latino Americans, Native Americans, Pacific Islander Americans, and low income and rural communities;

(ii) One member of the dental quality assurance commission;

(iii) One representative from the University of Washington school of dentistry;

(iv) One member from the Washington state dental association;

(v) One member from the Washington state dental hygienists' association;

(vi) One dental therapist;

(vii) One dentist who has or is currently supervising a dental therapist or therapists;

(viii) One representative from a dental only integrated delivery system;

(ix) One representative from an urban Indian health clinic;

(x) One representative from a federally qualified health center or the Washington association for community health;

(xi) One representative from a dental therapy education program;

(xii) One representative from a Washington tribe that currently employs dental therapists; and

(xiii) One representative from a labor union representing care providers that has experience providing dental coverage and promoting dental care among their members.

(b) In addition, members of the task force may include members from the legislature as follows:

(i) The president of the senate may appoint one member from each of the two largest caucuses of the senate; and

(ii) The speaker of the house of representatives may appoint one member from each of the two largest caucuses of the house of representatives.

((18))) (17) \$492,000 of the general fund—state appropriation for fiscal year 2022 and \$492,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to coordinate with local health jurisdictions to establish and maintain comprehensive group B programs to ensure safe drinking water. These funds shall be used to support the costs of the development and adoption of rules, policies, and procedures, and for technical assistance, training, and other program-related costs.

((19))) (18) \$96,000 of the general fund—state appropriation for fiscal year 2022 and \$92,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for community outreach to prepare culturally and linguistically appropriate hepatitis B information in a digital format to be distributed to ethnic and cultural leaders and organizations to share with foreign-born and limited or non-English speaking community networks.

((20))) (19) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to continue the collaboration between the local public health jurisdiction, related accountable communities of health, and health care providers to reduce potentially preventable hospitalizations in Pierce county. This collaboration will build from the first three years of the project, planning to align care coordination efforts across health care systems and support the related accountable communities of health initiatives, including innovative,

collaborative models of care. Strategies to reduce costly hospitalizations include the following: (a) Working with partners to prevent chronic disease; (b) improving heart failure rates; (c) incorporating community health workers as part of the health care team and improving care coordination; (d) supporting the COVID-19 response with improved access to immunizations; and (e) the use of community health workers to provide necessary resources to prevent hospitalization of people who are in isolation and quarantine. By December 15, 2022, the members of the collaboration shall report to the legislature regarding the effectiveness of each of the strategies identified in this subsection. In addition, the report shall describe the most significant challenges and make further recommendations for reducing costly hospitalizations.

~~((21))~~ ~~(20)~~(a) ~~(((\$200,000))~~ \$65,000 of the general fund—state appropriation for fiscal year 2022 ~~((is))~~ and \$135,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a task force, chaired by the secretary of the department, implemented by August 1, 2021, to assist with the development of a "parks Rx" health and wellness pilot program that can be implemented in the Puget Sound, eastern Washington, and southwest Washington regions of Washington state.

(b) Members of the task force must include:

(i) The secretary of health, or the secretary's designee;

(ii) The following members to be appointed by the secretary of health:

(A) Two representatives of local parks and recreation agencies, from recommendations by the Washington recreation and park association;

(B) Two representatives of health care providers and community health workers, from recommendations by the association of Washington healthcare plans from recommendations by the department community health worker training program;

(C) Two representatives from drug-free health care professions, one representing the interests of state associations representing chiropractors and one representing the interests of physical therapists and athletic trainers from recommendations by their respective state associations;

(D) Two representatives from hospital and health systems, from recommendations by the Washington state hospital association;

(E) Two representatives of local public health agencies, from recommendations by the Washington state association of local public health officials; and

(F) Two representatives representing health carriers, from recommendations from the association of Washington healthcare plans; and

(iii) A representative from the Washington state parks, as designated by the Washington state parks and recreation commission.

(c) The secretary of health or the secretary's designee must chair the task force created in this subsection. Staff support for the task force must be provided by the department of health.

(d) The task force shall establish an ad hoc advisory committee in each of the three pilot regions for purposes of soliciting input on the design and scope of the parks Rx program. Advisory committee membership may not exceed 16 persons and must include diverse representation from the pilot regions, including those experiencing significant health disparities.

(e) The task force must meet at least once bimonthly through June 2022.

(f) The duties of the task force are to advise the department of health on issues including but not limited to developing:

(i) A process to establish the pilot program described in this subsection around the state with a focused emphasis on diverse

communities and where systematic inequities and discrimination have negatively affected health outcomes;

(ii) Model agreements that would enable insurers to offer incentives to public, nonprofit, and private employers to create wellness programs that offer employees a discount on health insurance in exchange for a certain usage level of outdoor parks and trails for recreation and physical activity; and

(iii) Recommendations on ways in which a public-private partnership approach may be utilized to fund the implementation of the pilot program described in this subsection.

(g) The members of the task force are encouraged to consider grant funding and outside funding options that can be used toward the pilot program.

(h) The department of health must report findings and recommendations of the task force to the governor and relevant committees of the legislature in compliance with RCW 43.01.036 by September 1, 2022.

~~((22))~~ ~~(21)~~ \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a work group to make recommendations concerning funding and policy initiatives to address the spread of sexually transmitted infections in Washington.

(a) The work group membership must include, but is not limited to, the following members appointed by the governor:

(i) A representative from the department of health office of infectious disease;

(ii) A representative from the pharmacy quality assurance commission;

(iii) A representative from the Washington medical commission;

(iv) A representative from an organization representing health care providers;

(v) A representative from a local health jurisdiction located east of the crest of the Cascade mountains;

(vi) A representative from a local health jurisdiction located west of the crest of the Cascade mountains;

(vii) At least one representative from an organization working to address health care access barriers for LGBTQ populations;

(viii) At least one representative from an organization working to address health care access barriers for communities of color; and

(ix) At least one representative from an organization working to address health care access barriers for justice involved individuals.

(b) Staff support for the work group shall be provided by the department of health.

(c) The work group shall submit a report to the legislature by December 1, 2022, that includes recommendations to: (i) Eradicate congenital syphilis and hepatitis B by 2030; (ii) control the spread of gonorrhea, syphilis, and chlamydia; (iii) end the need for confirmatory syphilis testing by the public health laboratory; and (d) expand access to PrEP and PEP.

(d) Recommendations provided by the work group must be prioritized based on need and available funding.

~~((23))~~ ~~(22)~~ \$236,000 of the general fund—state appropriation for fiscal year 2022 and \$236,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement Engrossed Second Substitute House Bill No. 1152 (comprehensive public health districts). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

~~(24))~~ ~~(23)~~ \$332,000 of the general fund—state appropriation for fiscal year 2022 and \$1,885,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to establish and operate regional shared service

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centers, regional health officers, and regional coordinators, as follows:

(a) The role and duties of the regional shared service centers shall be determined by the department and may include the coordination and facilitation of shared delivery of services under the foundational public health services, the implementation of Engrossed Second Substitute Senate Bill No. 5052 (health equity zones), and the development of relationships with other regional bodies, such as accountable communities of health.

(b) Regional health officers and regional coordinators must be employees of the department. The department may seek to collocate these employees with local health jurisdictions or other government agencies.

(c) The regional health officers shall be deputies of the state health officer. Regional health officers may: (i) Work in partnership with local health jurisdictions, the department, the state board of health, and federally recognized Indian tribes to provide coordination across counties; (ii) provide support to local health officers and serve as an alternative for local health officers during vacations and other absences, emergencies, and vacancies; and (iii) provide mentorship and training to new local health officers.

(d) A regional health officer must meet the same qualifications as local health officers provided in RCW 70.05.050.

((25)) (24) \$34,000 of the general fund—state appropriation for fiscal year 2022 and \$58,000 of the general fund—local appropriation are provided solely for implementation of Second Substitute House Bill No. 1148 (acute care hospitals). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(26)) (25) \$832,000 of the general fund—local appropriation and \$554,000 of the health professions account—state appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 1086 (behavioral health consumers). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(27)) (26) \$21,000 of the health professions account—state appropriation is provided solely for implementation of House Bill No. 1063 (behav. health credentials). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(28)) (27) \$374,000 of the general fund—state appropriation for fiscal year 2022 and \$362,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1443 (cannabis industry/equity). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(29)) (28) \$97,000 of the general fund—local appropriation is provided solely for implementation of House Bill No. 1031 (birth cert., stillbirth). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(30) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$98,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1127 (COVID-19 health data privacy). If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(31)) (29) \$17,000 of the health professions account—state appropriation is provided solely for implementation of Substitute House Bill No. 1007 (supervised exp./distance). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(32) \$596,000)) (30) \$1,188,000 of the general fund—state appropriation for fiscal year 2022, ((\$58,000)) \$2,488,000 of the general fund—state appropriation for fiscal year 2023, and \$64,000 of the hospital data collection account—state

appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 1272 (health system transparency). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)) Of the amounts provided in this subsection, \$2,000,000 of general fund—state appropriation is for assistance to 37 rural hospitals that are required to comply with the provisions under the bill.

((33)) (31) \$71,000 of the health professions account—state appropriation is provided solely for implementation of Substitute House Bill No. 1129 (international medical grads). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(34)) (32) \$2,809,000 of the model toxics control operating account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1139 (lead in drinking water). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(35)) (33) \$17,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Substitute House Bill No. 1383 (respiratory care). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(36)) (34) \$92,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1184 (risk-based water standards). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(37)) (35) \$516,000 of the general fund—state appropriation for fiscal year 2022 and \$1,873,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 1225 (school-based health centers). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(38)) (36) \$301,000 of the secure drug take-back program account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1161 (drug take-back programs). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(39)) (37) \$22,000 of the general fund—state appropriation for fiscal year 2022 and \$78,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed House Bill No. 1311 (SUD apprenticeships/certs). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(40)) (38) \$17,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of House Bill No. 1378 (medical assistants). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(41)) (39) Within amounts appropriated in this section from the health professions account, the Washington nursing commission shall contract with the state auditor's office to conduct a performance audit, specifically addressing the length of time required to license individuals who come from other states. The audit should address the obstacles contributing to any delay and make recommendations for improvement.

((42)) (40) Within amounts appropriated in this section from the health professions account, the Washington medical commission shall contract with the state auditor's office to conduct a performance audit, which must address the length of time required to license individuals and comparatively analyze disciplinary processes with those of other states. The audit should address the obstacles contributing to inefficiencies and make recommendations for improvement.

((43)) (41) Within amounts appropriated in this section, the Washington nursing commission must hire sufficient staff to

process applications for nursing licenses so that the time required for processing does not exceed seven days.

((44)) (42) \$600,000 of the general fund—state appropriation for fiscal year 2022 and \$600,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a community-based nonprofit organization located in Yakima Valley to develop a Spanish language public radio media campaign aimed at providing education on the COVID-19 pandemic through an outreach program. The goal of the radio media campaign is to reach residents considered "essential workers," including but not limited to farmworkers, and provide information on best practices for limiting exposure, preventing transmission, and seeking treatment for COVID-19. The nonprofit organization must coordinate with medical professionals and other stakeholders on the content of the radio media campaign. The department, in coordination with the nonprofit, must provide a preliminary report to the legislature no later than December 31, 2021. A final report to the legislature must be submitted no later than June 30, 2023. Both reports must include: (a) A description of the outreach program and its implementation; (b) the number of individuals reached through the outreach program; and (c) any relevant demographic data regarding those individuals.

((45)) (43) \$500,000 of the general fund—state appropriation for fiscal year 2022 and ((\$500,000)) \$725,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington poison center. This funding is provided in addition to funding pursuant to RCW 69.50.540.

((46)) (44) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a community-based nonprofit organization located in Yakima Valley to develop a Spanish-language public radio media campaign aimed at preventing opioid use disorders through education outreach programs. The goal of the radio media campaign is reaching underserved populations, who may have limited literacy and who may experience cultural and informational isolation, to address prevention, education and treatment for opioid users or those at risk for opioid use. The nonprofit organization must coordinate with stakeholders who are engaged in promoting healthy and educated choices about drug use and abuse to host four workshops and two conferences that present the latest research and best practices. The department, in coordination with the nonprofit, must provide a preliminary report to the legislature no later than December 31, 2022. A final report must be submitted to the legislature no later than June 30, 2023. Both reports must include: (a) A description of the outreach programs and their implementation; (b) a description of the workshops and conferences held; (c) the number of individuals who participated in or received services in relation to the outreach programs; and (d) any relevant demographic data regarding those individuals.

((47)) (45) \$2,122,000 of the general fund—state appropriation for fiscal year 2022 and \$2,122,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the ongoing operations and maintenance of the prescription monitoring program maintained by the department.

((48)) (46) \$2,325,000 of the general fund—state appropriation for fiscal year 2022 and \$2,625,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for:

(a) Staffing by the department, the department of veterans affairs, and the department of corrections to expand statewide suicide prevention efforts, which efforts include suicide prevention efforts for military service members and veterans and incarcerated persons;

(b) A suicide prevention public awareness campaign to provide education regarding the signs of suicide, interventions, and resources for support;

(c) Additional staffing for call centers to support the increased volume of calls to suicide hotlines;

(d) Training for first responders to identify and respond to individuals experiencing suicidal ideation;

(e) Support for tribal suicide prevention efforts;

(f) Strengthening behavioral health and suicide prevention efforts in the agricultural sector;

(g) Support for the three priority areas of the governor's challenge regarding identifying suicide risk among service members and their families, increasing the awareness of resources available to service members and their families, and lethal means safety planning;

(h) Expansion of training for community health workers to include culturally informed training for suicide prevention;

(i) Coordination with the office of the superintendent of public instruction; and

(j) Support for the suicide prevention initiative housed in the University of Washington.

((49)) (47) \$1,500,000 of the general fund—state appropriation for fiscal year 2022 and \$1,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the fruit and vegetable incentive program.

((50)) (48) \$474,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to implement Substitute House Bill No. 1218 (long-term care residents). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(51)) (49) \$1,779,000 of the health professions account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 1504 (workforce education development act). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(52)) (50) \$627,000 of the general fund—state appropriation for fiscal year 2022 and \$627,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement the recommendations from the community health workers task force to provide statewide leadership, training, and integration of community health workers with insurers, health care providers, and public health systems.

((53)) (51) \$250,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for one-time grants to family planning clinics that are at risk of imminent closure, did not receive a paycheck protection program loan, and are ineligible for funding through the coronavirus aid, relief, and economic security (CARES) act or the coronavirus response and relief supplemental appropriations act of 2021 (CRRSA).

((54)) (52) \$450,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the nursing care quality assurance commission, in collaboration with the workforce training and education coordinating board and the department of labor and industries, to plan a home care aide to nursing assistant certified to licensed practical nurse (HCA-NAC-LPN) apprenticeship pathway. The plan must provide the necessary groundwork for the launch of at least three licensed practical nurse apprenticeship programs in the next phase of work. The plan for the apprenticeship programs must include programs in at least three geographically disparate areas of the state experiencing high levels of long-term care workforce shortages for corresponding health professions and incorporate the participation of local workforce development councils for implementation.

((55)) (53) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$23,000 of the health professions

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account—state appropriation are provided solely to implement Senate Bill No. 5124 (colon hydrotherapy). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(54) \$3,000,000 of the general fund—state appropriation for fiscal year 2022 and \$3,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington nursing commission to manage a grant process to incentivize nurses to supervise nursing students in health care settings. The goal of the grant program is to create more clinical placements for nursing students to complete required clinical hours to earn their nursing degree and related licensure.

(55) \$761,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington nursing commission to continue to implement virtual nursing assistant training and testing modalities, create an apprenticeship pathway into nursing for nursing assistants, implement rule changes to support a career path for nursing assistants, and collaborate with the workforce training and educational coordinating board on a pilot project to transform the culture and practice in long term care settings. The goal of these activities is to expand the nursing workforce for long term care settings.

(56) \$147,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department in collaboration with the state health care authority and the University of Washington to develop a licensure and regulatory program for behavioral health support specialists consistent with the provisions in Engrossed Second Substitute Senate Bill No. 5884 (behavioral health support).

(57) \$212,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5821 (cardiac & stroke response). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(58) \$41,000 of the general fund—state appropriation for fiscal year 2022 and \$777,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of House Bill No. 1859 (cannabis analysis labs). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(59) \$223,000 of the general fund—state appropriation for fiscal year 2022 and \$186,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to test for lead in child care facilities to prevent child lead exposure and to research, identify, and connect facilities to financial resources available for remediation costs.

(60) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to provide a grant to a statewide community based environmental justice organization to establish an environmental justice community participation fund. The participation fund must allocate the funding as grants to community-based organizations serving vulnerable populations in highly impacted communities in rural and urban areas for the purpose of supporting their communities' access, understanding, and participation in environmental justice council deliberations and the implementation of chapter 70A.02 RCW.

(61) \$2,488,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for additional resources for the department to issue provider credentials within seven calendar days of receiving a complete application.

(62) \$532,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to create a program within the office of drinking water to offer engineering

assistance to nonfluoridated water systems with over 5,000 connections. The program will assist water systems to plan for future community water fluoridation.

(63) \$74,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute House Bill No. 1881 (birth doulas). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(64) \$121,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to expand access to the smoking cessation quitline, implement electronic referrals to the quitline, and provide grants to develop messaging related to smoking cessation.

(65) \$7,400,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for one-time grants to providers of abortion care that participate in the department's family planning and reproductive health program and which experienced drops in patient visit volume during the pandemic in order to maintain the availability of services for low-income Washingtonians.

(66) \$268,000 of the health professions account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 5753 (board & commission sizes). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(67) \$166,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to conduct an oral health equity assessment. The department must use available data and community needs assessments to identify unmet oral health needs and develop recommendations to advance positive oral health outcomes while reducing inequities through increased access to community water fluoridation. The department must consult with the state office of equity and may collaborate with public health oral health care providers and community-based organizations to conduct the assessment and develop recommendations. The department must submit the oral health equity assessment report and recommendations to the appropriate committees of the legislature by June 30, 2023.

(68) \$14,000 of the health professions account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 5496 (health prof. monitoring). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(69) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to convene a nonregulatory stakeholder forum to discuss solutions to per- and polyfluoroalkyl substances (PFAS) chemical contamination of surface and groundwater.

(70) \$19,088,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the costs of public health data systems and are subject to the conditions, limitations, and review requirements of section 701 of this act.

(71) \$814,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to expand grants to establish new school-based health centers and to add behavioral health capacity to existing school-based health centers.

(72) \$54,000 of the general fund—state appropriation for fiscal year 2022 and \$1,300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to coordinate and lead a multi-agency approach to youth suicide prevention and intervention.

(73) \$654,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department, in collaboration with an organization that represents pediatric care needs in Washington state, to establish a curriculum and provide

training for community health workers in primary care clinics whose patients are significantly comprised of pediatric patients enrolled in medical assistance under chapter 74.09 RCW, beginning January 1, 2023, in support of the health care authority's two-year grant program. The department will coordinate ongoing curriculum development meetings with the relational health training work group.

(74) \$1,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to the greater Columbia accountable community of health to develop and implement an innovative emergency medical services program to bridge the gap of unmet health care needs in the community.

(75) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to cancer pathways to provide statewide education and support for adults, children, and families impacted by cancer, including support groups, camps for kids impacted by cancer, and risk reduction education for teens.

(76) \$66,956,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department's continued vaccine administration efforts, including mass vaccination sites where needed and pass-through contracts with local health jurisdictions. If the federal emergency management agency reimbursement at full cost for eligible activities is renewed beyond June 30, 2022, the department must conserve this appropriation and maximize the use of federal reimbursements. The legislature intends this funding to be sufficient to cover the department's vaccine administration activities through January 1, 2023. By October 1, 2022, the department must submit a report to the health care and fiscal committees of the legislature detailing a cost-based COVID-19 vaccine administration fiscal response plan for the remainder of the 2021-2023 fiscal biennium as well as any vaccine administration costs the department projects into the 2023-2025 fiscal biennium. This report must include a funding strategy for specific agency COVID-19 vaccine administration initiatives, including, but not limited to, mass vaccination sites, primary care provider outreach, mobile vaccination administration, and outreach. This report must also include specific and itemized individual local health jurisdiction initiatives in which the department has or plans to request funding from the legislature on behalf of the local health jurisdiction.

(77) \$58,320,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to respond to the COVID-19 pandemic through means including diagnostic testing, case investigation, outbreak response, care coordination, community outreach, operational and technical support, disease surveillance, client services, and support for local health jurisdictions and tribes. If the federal emergency management agency reimbursement at full cost for eligible activities is renewed beyond June 30, 2022, the department must conserve this appropriation and maximize the use of federal reimbursements. The legislature intends this funding to be sufficient to cover the department's response through January 1, 2023, at which point the legislature plans to reevaluate the scope of the public health threat posed by COVID-19. By October 1, 2022, the department must submit a report to the health care and fiscal committees of the legislature detailing a cost-based COVID-19 fiscal response plan for the remainder of the 2021-2023 fiscal biennium as well as any costs the department projects into the 2023-2025 fiscal biennium. This report must include a funding strategy for specific agency COVID-19 response initiatives, including, but not limited to, mass testing sites, testing contracts, laboratory and scientific analysis, and other agency initiatives in response to the pandemic. This report must also include specific and itemized individual local health jurisdiction

initiatives in which the department has or plans to request funding from the legislature on behalf of the local health jurisdiction.

(78) \$85,000 of the health professions account—state appropriation is provided solely for the implementation of Senate Bill No. 5518 (OT licensure compact). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(79) \$91,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5702 (donor human milk coverage). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(80) \$22,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5765 (midwifery). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(81) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to create the criminal justice integrated data system task force, to be convened and chaired by a representative from the department.

(a) In addition to the chair, the task force shall consist of the following members or the member's designee with experience in criminal justice data systems and reporting:

- (i) The governor;
- (ii) The chief justice of the Washington state supreme court;
- (iii) The attorney general;
- (iv) The director of the department of corrections;
- (v) The director of the department of children, youth, and families;
- (vi) The director of the department of social and health services;
- (vii) The director of the administrative office of the courts;
- (viii) A representative of the Washington association of prosecuting attorneys;
- (ix) A representative of the Washington association of sheriffs and police chiefs;
- (x) A representative of the association of Washington cities;
- (xi) A representative of the Washington state association of counties;
- (xii) A representative of the office of crime victims advocacy;
- (xiii) A representative from the Washington state institute for public policy;
- (xiv) A representative from the office of public defense or a defense representative;
- (xv) A representative from the Harborview injury prevention and research center;
- (xvi) A representative from the Washington association of coroners and medical examiners; and
- (xvii) A representative from the Washington state association of county clerks.

(b) The task force shall notify the members of the law and justice committees of the house and senate of scheduled meetings and agendas.

(c) By December 1, 2022, the task force shall submit a report to the legislature detailing recommendations, an implementation plan, and a feasibility study for a criminal justice integrated data system to receive and maintain data and information from local governments, state agencies, and nongovernmental entities. This report must also include:

- (i) Recommendations on the creation and composition of a criminal justice data oversight council and processes by which the council will approve requests for projects, reports, and data analyses generated from the criminal justice integrated data system;
- (ii) Opportunities to integrate and leverage federal and other dollars for this work; and
- (iii) A staffing plan for the department of health to create a

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violence and death investigation resource center to collect and analyze vital statistics on violence and deaths in the state to:

(A) Identify localized and statewide trends;
(B) Survey medical examiners and coroners in the state to identify the critical needs of the offices;

(C) Develop systems to facilitate information and data sharing between medical examiner and coroner offices; and

(D) Develop best practices for death investigations in the state.

(d) Of the amounts provided in this subsection, \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with the Washington association of coroners and medical examiners to conduct a study of the critical shortage of board-certified forensic pathologists and recommend to the legislature what steps the state can take to foster a robust forensic pathology community. The study shall cover issues related to Conrad 30/J-1 visa waivers and measures to encourage enrollment in the University of Washington and Washington State University forensic pathology residency programs. This study must also include recommendations on how to create two new forensic pathology fellow slots, one in conjunction with the University of Washington and one in conjunction with Washington State University. The Washington association of coroners and medical examiners shall directly report its findings and recommendations to the governor and the appropriate committees of the legislature by December 1, 2022.

(82) \$39,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5974 (transportation resources). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(83) \$428,000 of the general fund—state appropriation for fiscal year 2022 and \$855,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the continued operations of the Washington medical coordination center.

(84) \$17,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to conduct a survey of home care and home health agencies as defined in RCW 70.127.010, to gather financial information for tax or fee planning purposes, including but not limited to total by service line. Any such financial information reported must be de-identified so it does not identify individual recipients of care. The department shall provide this information to the department of social and health services and service employees international union 775 for analysis upon completion of the survey.

(85) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to conduct a mass public awareness campaign targeted at alerting the public to the dangers caused by methamphetamines and fentanyl, including outreach to both youth and adults aimed at preventing addiction and overdose deaths.

(86) \$91,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to convene a work group to study the root causes of rising behavioral health issues in Washington communities.

(a) The membership of the work group shall emphasize individuals with actual, practical experience dealing with the behavioral health system and shall include:

(i) Individuals who have received behavioral health services in a variety of settings and circumstances throughout the behavioral health system;

(ii) Family members of individuals who have received behavioral health services;

(iii) Behavioral health treatment providers with experience providing behavioral health services in various settings, including

crisis behavioral health services. Providers serving on the work group may not represent, or be employed by, any organizations or interest groups representing the interests of health care providers or behavioral health stakeholders;

(iv) Tribal representatives with experience providing or receiving behavioral health services from tribal health departments;

(v) Members of the clergy;

(vi) Law enforcement officers with training and experience in responding to individuals with behavioral health conditions or who are undergoing behavioral health crises;

(vii) Behavioral health advocates; and

(viii) Any other individuals with experience in the behavioral health system, as deemed appropriate by the department.

(b) The work group shall, at a minimum, discuss:

(i) Factors leading to increased demand for behavioral health services in Washington;

(ii) Barriers to addressing unmet needs and any gaps in the behavioral health system;

(iii) The effectiveness of the state's integrated care initiative regarding access for the seriously mentally ill, reductions in hospitalization and institutionalization, improvements in community-based care, and support for an effective network of community-based care providers for the seriously mentally ill; and

(iv) Suggestions for improving the behavioral health system, including methods to address behavioral health workforce shortages.

(c) The work group shall submit to the governor and the appropriate committees of the legislature a progress report by December 15, 2022, and its findings and recommendations by June 30, 2023.

(87) \$25,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide a grant to a community organization in Greenwater to establish temporary portable toilets to be accessible to tourists and other individuals traveling on state route 410.

(88) \$552,000 of the health professions account—state appropriation is provided solely for implementation of chapter 203, Laws of 2021 (long-term services/emergency).

(89) \$48,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 and \$7,000 of the general fund—private/local appropriation are provided solely to implement Second Substitute House Bill No. 1210 (cannabis terminology). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(90) \$88,000 of the general fund—state appropriation for fiscal year 2023 and \$44,000 of the hospital data collection account—state appropriation are provided solely for implementation of Substitute House Bill No. 1616 (charity care). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(91) \$17,000 of the health professions account—state appropriation is provided solely for implementation of Substitute House Bill No. 1675 (dialysate & dialysis devices). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(92) \$40,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1074 (fatality reviews). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(93) \$44,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of House Bill No. 1739 (hospital policies/pathogens). If the bill is not enacted

by June 30, 2022, the amount provided in this subsection shall lapse.

(94) \$17,000 of the health professions account—state appropriation is provided solely for implementation of Substitute House Bill No. 1124 (nurse delegation/glucose). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(95) \$243,000 of the health professions account—state appropriation is provided solely for implementation of Substitute House Bill No. 1286 (psychology compact). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(96)(a) \$125,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with the department of environmental and occupational health sciences within the University of Washington to develop a report to the legislature regarding school environmental health policies, recommendations, and standards. In developing the report, the department of environmental and occupational health sciences shall collaborate with other school of public health programs within the University of Washington, the department of health, and the department of ecology.

(b) The report shall include:

(i) A review of policies and regulations in other states pertaining to environmental health in K-12 schools;

(ii) Literature and recommendations for exposure standards and remediation levels which are protective of health and safety for students in schools;

(iii) A summarization of activities, such as inspections, management, control levels, and remediation of a variety of contaminants and issues, including PCBs, lead, asbestos, poor ventilation, and mold; and

(iv) Recommendations for next steps for policies and standards in Washington schools.

(c) The report is due by December 31, 2022.

(97) \$680,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to establish a stipend program for licensed nurses to receive reimbursement of up to \$2,500 to cover eligible expenses incurred in order to complete the training necessary to become a certified sexual assault nurse examiner.

(98) \$408,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to establish a grant program for hospitals to obtain the services of a certified sexual assault nurse examiner from other sources if the hospital does not have those services available internally.

(99) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for tobacco, vapor product, and nicotine control, cessation, treatment and prevention, and other substance use prevention and education, with an emphasis on community-based strategies. These strategies must include programs that consider the disparate impacts of nicotine addiction on specific populations, including youth and racial or other disparities.

(100) \$550,000 of the general fund—state appropriation for fiscal year 2022 and \$450,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a one-time contract with the Yakima neighborhood health services to increase the number of certified and licensed health professionals practicing in community health centers serving low-income and rural populations. The amounts provided in this subsection must be used to support faculty, training, and scholarship costs for a newly established, one-year advanced registered nurse practitioner (ARNP) residency program in Yakima.

(101) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the child profile health

promotion notification system. Pursuant to the department's recommendation in its December 2020 report, which reviewed its processes for efficiencies and possible technological advances to reduce costs, the department must further explore how to integrate a fee to support the program in the future. A report regarding the department's further exploration of a fee to support the program is due to the legislature by December 15, 2022.

(102) This section includes a general fund—federal appropriation (CRF) that is provided solely for COVID-19 response activities including staffing, increased travel, equipment, and grants to local health jurisdictions and tribes, and to manage hospital capacity issues. This funding expires December 31, 2021.

(103) \$1,000 of the general fund—state appropriation for fiscal year 2022 and \$117,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of chapter 316, Laws of 2021 (climate commitment act).

(104) \$1,084,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5796 (cannabis revenue).

(105) \$34,000 of the general fund—private/local appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5695 (DOC body scanner pilot). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 223. 2021 c 334 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2022, unless prohibited by this act, the department may transfer general fund—state appropriations for fiscal year 2022 among programs after approval by the director of the office of financial management. The department of corrections must notify the fiscal committees of the legislature prior to receiving approval from the director of financial management. To the extent that appropriations under this section are insufficient to fund actual expenditures in excess of caseload forecast assumptions or for expenses in response to the COVID-19 pandemic, the department may transfer general fund—state appropriations for fiscal year 2022 that are provided solely for a specified purpose. The department may not transfer funds, including for expenses in response to the COVID-19 pandemic in fiscal year 2022, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of the office of financial management shall notify the appropriate fiscal committees of the legislature in writing seven days prior to approving any allotment modifications or transfers under this section. The written notification must include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State	Appropriation (FY 2022)	
		(((\$77,278,000))
		\$79,197,000
General Fund—State	Appropriation (FY 2023)	
		(((\$79,651,000))
		\$89,195,000
General Fund—Federal	Appropriation	\$400,000
TOTAL APPROPRIATION		(((\$157,329,000))
		\$168,792,000

The appropriations in this subsection are subject to the

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following conditions and limitations:

(a) \$1,135,000 of the general fund—state appropriation for fiscal year 2022 and \$1,731,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for expansion of reentry supports and transition services for incarcerated individuals including development and implementation of a coaching model approach to supervision, and staffing must provide expanded reentry and discharge services to include, but not limited to, transition services, preemployment testing, enhanced health care discharge planning, housing voucher assistance, cognitive behavioral interventions, educational programming, and community partnership programs.

(b) Within the amounts provided in (a) of this subsection, \$100,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to develop an implementation plan for a community supervision coaching model to begin in fiscal year 2023. The department must solicit input from incarcerated individuals, family members of incarcerated individuals, experts in supervision and reentry, community stakeholder and advocacy groups, and impacted labor organizations. The plan shall propose appropriate policies and procedures for the coaching model, including ongoing training and organizational culture assessments. During development of the plan, the department must consider potential inequities that may arise from any changes or additional requirements of supervision resulting from the model and mitigate those concerns to the greatest extent possible in its final plan. This plan must be submitted to the office of financial management prior to implementation.

(c) Within the amounts provided in (a) of this subsection, \$706,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of the plan to be developed under (b) of this subsection and for the department to submit an initial report to the legislature on the progress of implementation of the coaching supervision model by no later than February 1, 2023.

(d) \$17,000 of the general fund—state appropriation for fiscal year 2022 and \$17,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5304 (providing reentry services to persons releasing from state and local institutions). ((If this bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(e) \$197,000 of the general fund—state appropriation for fiscal year 2022 and \$187,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5259 (law enforcement data). ((If this bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(f)(i) \$779,000 of the general fund—state appropriation for fiscal year 2022 and \$817,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for increasing access to educational opportunities for incarcerated individuals.

(ii) Of the amounts provided in (f)(i) of this subsection, \$680,000 of the general fund—state appropriation for fiscal year 2022 and \$285,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1044 (prison to postsecondary ed.). ((If this bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(g) \$1,116,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to acquire and implement a sentencing calculation module for the offender management network information system and is subject to the conditions,

limitations, and review requirements of section 701 of this act. This project must use one discrete organizational index across all department of corrections programs. Implementation of this sentencing calculation module must result in a reduction of tolling staff within six months of the project implementation date and the department must report this result. In addition, the report must include the budgeted and actual tolling staffing levels by fiscal month in fiscal year 2023 and the count of tolling staff reduced by fiscal month from date of implementation through six months post implementation. The report must be submitted to the senate ways and means and house appropriations committees within 30 calendar days after six months post implementation.

(h) \$609,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for staff and vendor costs to transform correctional culture in prisons and work releases, and to improve health and safety for all, through additional training. The prison rape elimination act compliance specialists must be among the first staff trained.

(i) \$130,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a human resource consultant to implement Second Substitute Senate Bill No. 5695 (body scanners). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(j) \$70,000 of the general fund—state appropriation for fiscal year 2022 and \$223,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1956 (incarcerated individuals/PRA). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(k) \$12,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1818 (reentry and rehabilitation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(2) CORRECTIONAL OPERATIONS

General Fund—State	Appropriation	(FY 2022)	
			(((\$602,497,000))
			<u>\$450,287,000</u>
General Fund—State	Appropriation	(FY 2023)	
			(((\$605,877,000))
			<u>\$683,573,000</u>
General Fund—Federal	Appropriation		(((\$1,300,000))
			<u>\$161,465,000</u>
<u>General Fund—Private/Local</u>	<u>Appropriation</u>		<u>\$335,000</u>
Washington Auto Theft Prevention Authority Account—State	Appropriation		(((\$4,343,000))
			<u>\$4,468,000</u>
<u>Coronavirus State Fiscal Recovery Fund—Federal</u>	<u>Appropriation</u>		<u>\$28,409,000</u>
TOTAL APPROPRIATION			(((\$1,214,017,000))
			<u>\$1,328,537,000</u>

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

(a) The department may contract for local jail beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The department shall not pay a rate greater than \$85 per day per offender excluding the costs of department of corrections provided services, including evidence-based substance abuse programming, dedicated department of corrections classification staff on-site for individualized case management, transportation of offenders to and from department

of corrections facilities, and gender responsive training for jail staff. The capacity provided at local correctional facilities must be for offenders whom the department of corrections defines as close medium or lower security offenders. Programming provided for offenders held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring offenders must be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meets standards set by the department. The local jail must provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility, the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer are the responsibility of the jail.

(b) (\$501,000) \$574,000 of the general fund—state appropriation for fiscal year 2022 and (\$501,000) \$671,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester. Additional funds are provided for a stationary engineer and a custodian.

(c) Funding in this subsection is sufficient for the department to track and report to the legislature on the changes in working conditions and overtime usage as a result of increased funding provided for custody relief and health care delivery by December 1, 2022.

(d) \$39,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1054 (peace officer tactics, equip). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)

(e) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to acquire and implement a sentencing calculation module for the offender management network information system and is subject to the conditions, limitations, and review requirements of section 701 of this act. This project must use one discrete organizational index across all department of corrections programs. Implementation of this sentencing calculation module must result in a reduction of tolling staff within six months of the project implementation date and the department must report this result. In addition, the report must include the budgeted and actual tolling staffing levels by fiscal month in fiscal year 2023 and the count of tolling staff reduced by fiscal month from date of implementation through six months post implementation. The report must be submitted to the senate ways and means and house appropriations committees within 30 calendar days after six months post implementation.

(f) \$714,000 of the general fund—state appropriation for fiscal year 2022 and \$695,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for dedicated prison rape elimination act compliance specialists. Of the amount provided in this subsection, one compliance specialist staff must be provided at each of the following prisons:

- (i) Monroe correctional center;
- (ii) Larch correctional center;
- (iii) Olympic correctional center;
- (iv) Cedar creek correctional center;
- (v) Washington corrections center for women; and
- (vi) Mission creek corrections center for women.

(g) \$2,750,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for three body scanners, correctional officer staffing, corrections specialist staffing, a drug

recovery system, body scanner training, and body scanner installation costs to implement Second Substitute Senate Bill No. 5695 (body scanners). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(h) \$5,962,000 of the general fund—state appropriation for fiscal year 2022 and \$9,106,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to restore graduated reentry reductions made in the 2021-2023 biennial operating budget.

(i) \$28,409,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for expenses incurred in response to the COVID-19 pandemic during fiscal year 2022.

(j) \$1,251,000 of the general fund—state appropriation for fiscal year 2022 and \$1,294,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for reentry investments to include reentry and discharge staffing. The staffing must provide expanded reentry and discharge services to include, but not limited to, transition services, pre-employment testing, enhanced health care discharge planning, cognitive behavioral interventions, educational programming, and community partnership programs.

(k) \$150,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to collaborate with the department of social and health services to conduct a study of the feasibility of placing long-term care individuals under the jurisdiction of the department in nursing home facilities licensed or to be licensed by the department of social and health services to better meet the client's care needs. The department of corrections must provide daily operating costs of prisons where these individuals may be coming from, the fiscal year 2021 daily costs per incarcerated individual assigned to the sage living unit, and the costs associated with electronic home monitoring costs per individual.

(l) \$160,072,000 of the general fund—federal appropriation (CRF) is provided solely for COVID-19 related payroll and benefit expenditures that were incurred between July 1, 2021, and December 31, 2021, for public safety and health employees whose services are presumed to be substantially dedicated to responding to the COVID-19 public health emergency. This funding expires December 31, 2021.

(3) COMMUNITY SUPERVISION

General Fund—State	Appropriation (FY 2022)	
		<u>((248,374,000))</u>
		<u>\$161,098,000</u>
General Fund—State	Appropriation (FY 2023)	
		<u>((274,412,000))</u>
		<u>\$222,989,000</u>
General Fund—Federal Appropriation		<u>\$29,733,000</u>
Coronavirus State Fiscal Recovery Fund—Federal Appropriation		<u>\$8,480,000</u>
TOTAL APPROPRIATION		<u>((522,786,000))</u>
		<u>\$422,300,000</u>

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

(a) The department of corrections shall contract with local and tribal governments for jail capacity to house offenders who violate the terms of their community supervision. A contract rate increase may not exceed five percent each year. The department may negotiate to include medical care of offenders in the contract rate if medical payments conform to the department's offender health plan and pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff. If medical care of offender is included in the contract rate, the contract rate may exceed five percent to include the cost of that service.

(b) The department shall engage in ongoing mitigation

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strategies to reduce the costs associated with community supervision violators, including improvements in data collection and reporting and alternatives to short-term confinement for low-level violators.

(c) \$1,749,000 of the general fund—state appropriation for fiscal year 2022 and \$10,536,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for reentry investments to include reentry and discharge staffing. The staffing must provide expanded reentry and discharge services to include, but not limited to, transition services, preemployment testing, housing voucher assistance, cognitive behavioral interventions, educational programming, and community partnership programs. Of this amount \$7,394,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of the plan to be developed under subsection (1)(b) of this section.

(d) Within existing resources the department must update the response to violations and new criminal activity policy to reflect the savings assumed in this section as related to mandatory maximum confinement sanctions.

(e) (\$1,124,000) \$661,000 of the general fund—state appropriation for fiscal year 2022 and ((\$523,000)) \$725,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for increased costs associated with the relocation of leased facilities. The department shall engage in ongoing strategies to reduce the need for relocating facilities and when necessary contract only with lessors with rates that align with comparable market rates in the area.

(f) \$59,000 of the general fund—state appropriation for fiscal year 2022 and \$23,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5071 (civil commitment transition). (If this bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(g) \$450,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for conducting a community corrections caseload study. The department of corrections shall contract with an independent third party to provide a comprehensive review of the community corrections staffing model and develop an updated staffing model for use by the department of corrections. The updated model must include additional time and flexibility for community corrections officers to focus on case management, engagement, and interventions. The department of corrections shall submit a report, including a summary of the review and update, to the governor and appropriate committees of the legislature by July 1, 2022.

(h) \$2,521,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to acquire and implement a sentencing calculation module for the offender management network information system and is subject to the conditions, limitations, and review requirements of section 701 of this act. This project must use one discrete organizational index across all department of corrections programs. Implementation of this sentencing calculation module must result in a reduction of tolling staff within six months of the project implementation date and the department must report this result. In addition, the report must include the budgeted and actual tolling staffing levels by fiscal month in fiscal year 2023 and the count of tolling staff reduced by fiscal month from date of implementation through six months post implementation. The report must be submitted to the senate ways and means and house appropriations committees within 30 calendar days after six months post implementation.

(i) Within the amounts provided in this subsection (3) for work release programs, the department will operate the Helen B. Ratcliff work release facility.

(j) \$1,810,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1818 (reentry and rehabilitation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(k) \$1,930,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for expenses incurred in response to the COVID-19 pandemic during fiscal year 2022.

(l) \$29,733,000 of the general fund—federal appropriation (CRF) is provided solely for COVID-19 related payroll and benefit expenditures that were incurred between July 1, 2021, and December 31, 2021, for public safety and health employees whose services are presumed to be substantially dedicated to responding to the COVID-19 public health emergency. This funding expires December 31, 2021.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2022)	(\$7,324,000)
	\$8,757,000
General Fund—State Appropriation (FY 2023)	(\$7,539,000)
	\$9,097,000
TOTAL APPROPRIATION	(\$14,863,000)
	\$17,854,000

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2022)	(\$58,651,000)
	\$58,192,000
General Fund—State Appropriation (FY 2023)	(\$52,702,000)
	\$51,865,000

Coronavirus State Fiscal Recovery Fund—Federal

<u>Appropriation</u>	\$267,000
TOTAL APPROPRIATION	(\$111,353,000)
	\$110,324,000

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

(a) \$21,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to acquire and implement a sentencing calculation module for the offender management network information system and is subject to the conditions, limitations, and review requirements of section 701 of this act. This project must use one discreet organizational index across all department of corrections programs. Implementation of this sentencing calculation module must result in a reduction of tolling staff within six months of the project implementation date, which the department must report on. The report must include the budgeted and actual tolling staffing levels by fiscal month in fiscal year 2023 and the count of tolling staff reduced by fiscal month from date of implementation through six months post implementation. The report must be submitted to the senate ways and means and house appropriations committees within 30 calendar days after six months post implementation.

(b) \$192,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for medical staffing in prisons for patient centered care and behavioral health care to increase access to care and expanded screening of individuals in prison facilities to include chronic illnesses, infectious disease, diabetes, heart disease, serious mental health, and behavioral health services.

(c) \$4,000 of the general fund—state appropriation for fiscal year 2022 and \$9,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for an electronic health records system solution and is subject to the conditions, limitations, and review requirements of section 701 of this act. The department must collaborate with the Washington state department of veterans affairs on the development of the system's business requirements.

(d) \$19,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute Senate Bill No. 5695 (body scanners). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(e) \$26,000 of the general fund—state appropriation for fiscal year 2022 and \$161,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for reentry investments to include reentry and discharge staffing. The staffing must provide expanded reentry and discharge services to include, but not limited to, transition services, pre-employment testing, enhanced health care discharge planning, housing voucher assistance, cognitive behavioral interventions, educational programming, and community partnership programs.

(f) \$4,000 of the general fund—state appropriation for fiscal year 2022 and \$4,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1956 (incarcerated individuals/PRA). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(g) \$2,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1818 (reentry and rehabilitation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(6) OFFENDER CHANGE

General Fund—State	Appropriation	(FY 2022)	
			((\$77,046,000))
			<u>\$73,267,000</u>
General Fund—State	Appropriation	(FY 2023)	
			((\$77,596,000))
			<u>\$84,376,000</u>
<u>General Fund—Federal Appropriation</u>			<u>\$4,303,000</u>
<u>TOTAL APPROPRIATION</u>			<u>((\$154,642,000))</u>
			<u>\$161,946,000</u>

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

(a) The department of corrections shall use funds appropriated in this subsection (6) for offender programming. The department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(b) The department of corrections shall collaborate with the state health care authority to explore ways to utilize federal medicaid funds as a match to fund residential substance use disorder treatment-based alternative beds under RCW 9.94A.664 under the drug offender sentencing alternative program and residential substance use disorder treatment beds that serve individuals on community custody. The department of corrections must complete a report and submit its findings and recommendations to the appropriate committees of the legislature by December 15, 2021.

(c) \$3,106,000 of the general fund—state appropriation for fiscal year 2022 and \$3,106,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the housing voucher program.

(d) \$3,300,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for temporary court facilities, staffing, and to provide release assistance, including limited housing and food assistance, and other costs associated with individuals resentenced or ordered released from confinement as a result of the *State v. Blake* decision.

(e)(i) \$1,001,000 of the general fund—state appropriation for

fiscal year 2022 and \$675,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for increasing access to educational opportunities for incarcerated individuals.

(ii) Of the amounts provided in (e)(i) of this subsection, \$272,000 of the general fund—state appropriation for fiscal year 2022 and \$247,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1044 (prison to postsecondary ed.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(f) \$784,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for reentry support items such as disposable cell phones, prepaid phone cards, hygiene kits, housing vouchers, and release medications associated with individuals resentenced or ordered released from confinement as a result of policies or court decisions including, but not limited to, the *State v. Blake* decision.

(g) \$1,268,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for resentencing and reentry staffing associated with individuals resentenced or ordered released from confinement as a result of policies or court decisions including, but not limited to, the *State v. Blake* decision.

(h) \$438,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for program specialist staffing for increased comprehensive assessments and treatments, and substance use disorder treatment to implement Second Substitute Senate Bill No. 5695 (body scanners). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(i) \$4,508,000 of the general fund—state appropriation for fiscal year 2022 and \$7,893,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for reentry investments to include reentry and discharge staffing. The staffing must provide expanded reentry and discharge services to include, but not limited to cognitive behavioral interventions and educational programming.

(j) \$121,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department of corrections to collaborate with the Washington state board for community and technical colleges and the department of licensing to develop a prerelease commercial driving license training pilot program.

(k) \$655,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1818 (reentry and rehabilitation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(l) \$1,168,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to expand library services to incarcerated individuals in adult correctional facilities. The department of corrections must work in conjunction with the Washington state library to provide additional library materials, collections, and one additional library staff position at each of the nine institutional library service branches located throughout the state. Library materials and collections include but are not limited to Washington state newspapers, current consumer medical information, and other current reference collections that will support the department's reentry efforts in supporting the recovery and personal growth of incarcerated individuals.

(m) \$320,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for two contracted parent navigator positions. One parent navigator must be located at the Washington correction center for women and one parent navigator position must be located at the Airway Heights corrections center or another state correctional facility that houses incarcerated male individuals and is selected by the department of corrections as a more suitable fit for a parent navigator. The

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parent navigators must have lived experience in navigating the child welfare system. The parent navigators must provide guidance and support to incarcerated individuals towards family reunification, including, but not limited to, how to access services, navigating the court system, assisting with guardianship arrangements, and facilitating visitation with their children. The goal of the parent navigator programs is to assist incarcerated parents involved in dependency or child welfare cases to maintain connections with their children and to assist these individuals in successfully transitioning and reuniting with their families upon release from incarceration. As part of the parent navigation program, the department of corrections must also review and provide a report to the legislature on the effectiveness of the program that includes the number of incarcerated individuals that received assistance from the parent navigators and that tracks outcomes of the parenting navigator program. A preliminary report must be submitted to the legislature by June 30, 2023, with the expectation that a final report be funded in the 2023-2025 fiscal biennium budget and submitted by December 1, 2024. Of the amounts provided in this subsection, \$20,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department's review and preliminary report on the effectiveness of the parent navigator program.

(n) \$4,088,000 of the general fund—federal appropriation (CRF) is provided solely for COVID-19 related payroll and benefit expenditures that were incurred between July 1, 2021, and December 31, 2021, for public safety and health employees whose services are presumed to be substantially dedicated to responding to the COVID-19 public health emergency. This funding expires December 31, 2021.

(7) HEALTH CARE SERVICES

General Fund—State Appropriation	(FY 2022)	
		(\$174,184,000)
		\$134,471,000
General Fund—State Appropriation	(FY 2023)	
		(\$175,599,000)
		\$205,666,000
General Fund—Federal Appropriation		(\$1,400,000)
		\$47,507,000
General Fund—Private/Local Appropriation		\$2,000
Coronavirus State Fiscal Recovery Fund—Federal Appropriation		\$11,968,000
TOTAL APPROPRIATION		(\$351,183,000)
		\$399,614,000

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

(a) The state prison medical facilities may use funds appropriated in this subsection to purchase goods, supplies, and services through hospital or other group purchasing organizations when it is cost effective to do so.

(b) \$183,000 of the general fund—state appropriation for fiscal year 2022 and \$167,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5304 (providing reentry services to persons releasing from state and local institutions). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(c) \$13,947,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to increase medical staffing in prisons for patient centered care and behavioral health care. Funding must be used to increase access to care and expanded screening of individuals in prison facilities to include chronic illnesses, infectious disease, diabetes, heart disease, serious mental health, and behavioral health services.

(d) \$999,000 of the general fund—state appropriation for fiscal

year 2022 and \$1,030,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for medical staff, telehealth carts, necessary technology costs, and the build out of 64 dedicated teleservice rooms that will allow for legal and medical telepresence at all 12 prison facilities.

(e) \$77,000 of the general fund—state appropriation for fiscal year 2022 and \$900,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for an electronic health records system solution and is subject to the conditions, limitations, and review requirements of section 701 of this act. The department must collaborate with the Washington state department of veterans affairs on the development of the system's business requirements.

(f) \$829,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for nursing staff for dry cell watch at Washington corrections center for men to implement Second Substitute Senate Bill No. 5695 (body scanners). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(g) \$5,395,000 of the general fund—state appropriation for fiscal year 2022 and \$8,239,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to restore graduated reentry reductions in the 2021-2023 biennial operating budget.

(h) \$11,968,000 of the coronavirus state fiscal recovery fund—federal appropriation are provided solely for expenses incurred in response to the COVID-19 pandemic during fiscal year 2022.

(i) \$613,000 of the general fund—state appropriation for fiscal year 2022 and \$1,069,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for reentry investments to include reentry and discharge staffing. The staffing must provide expanded reentry and discharge services to include, but not limited to, enhanced health care discharge planning.

(j) The department of corrections must prepare a report on and an analysis of its medical staffing.

(i) The report must identify barriers relating to incarcerated individuals receiving timely treatment.

(ii) The report must specifically include a chart that shows:

(A) The incarcerated population caseloads from fiscal year 2019 through the first quarter of fiscal year 2023. The incarcerated caseloads must be shown by each of the department's individual 12 institutions;

(B) The number of funded, unfunded, and contracted-equivalent medical/health care staff at each institution, by major position type that includes, but is not limited to, physicians, psychologists, psychiatrists, registered nurses, supervising nursing staff, medical assistants, patient service representatives, medical directors, clinical pharmacists, and medical adjudicators;

(C) The caseloads for health care staff that shows the ratio of each medical staff position referenced in (j)(ii)(B) of this subsection to incarcerated individuals by institution;

(D) The number of funded medical staffing vacancies referenced in (j)(ii)(B) of this subsection by institution and quarter in fiscal year 2022 through the first quarter of fiscal year 2023; and

(E) A staffing model that shows the number of additional health care staff needed by position referenced in (j)(ii)(B) of this subsection for each institution.

(iii) The department must submit a final report to the appropriate committees of the legislature by October 30, 2022.

(k) \$46,107,000 of the general fund—federal appropriation (CRF) is provided solely for COVID-19 related payroll and benefit expenditures that were incurred between July 1, 2021, and December 31, 2021, for public safety and health employees

whose services are presumed to be substantially dedicated to responding to the COVID-19 public health emergency. This funding expires December 31, 2021.

Sec. 224. 2021 c 334 s 224 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2022)	(\$3,534,000)
	<u>\$4,717,000</u>
General Fund—State Appropriation (FY 2023)	(\$3,573,000)
	<u>\$5,970,000</u>
General Fund—Federal Appropriation	(\$25,544,000)
	<u>\$25,648,000</u>
General Fund—Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	(\$32,711,000)
	<u>\$36,395,000</u>

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

(1) \$50,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to consult with a food service architect to determine the feasibility and cost of remodels to select cafes owned by entrepreneurs participating in the business enterprise program, and to prepare a report that includes the results, recommendations, cost, and potential funding sources that could be used to assist with remodels. The report is due to the governor and appropriate legislative committees by November 1, 2021.

(2) \$70,000 of the general fund—state appropriation is provided solely for the department to provide individualized training to its blind, visually-impaired, deaf, and hearing-impaired staff in Microsoft 365 programs.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a consultant and create a report that identifies new or expanded enterprise opportunities for blind individuals, potential revenue sources, and new needs and methods for preparing individuals to effectively manage these enterprises. The report is due to the governor and appropriate legislative committees by June 30, 2023.

(4) \$888,000 of the general fund—state appropriation for fiscal year 2022 and \$1,552,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to remodel and upgrade equipment for select cafes owned by entrepreneurs participating in the business enterprise program to help them adjust to the changing needs of dining caused by the COVID-19 pandemic.

Sec. 225. 2021 c 334 s 225 (uncodified) is amended to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund—State Appropriation (FY 2022)	(\$1,757,000)
	<u>\$3,448,000</u>
General Fund—State Appropriation (FY 2023)	(\$2,834,000)
	<u>\$11,356,000</u>
General Fund—Federal Appropriation	(\$382,529,000)
	<u>\$337,132,000</u>
General Fund—Private/Local Appropriation	(\$36,416,000)
	<u>\$37,325,000</u>
Unemployment Compensation Administration Account—Federal Appropriation	(\$420,315,000)
	<u>\$444,688,000</u>
Administrative Contingency Account—State Appropriation	(\$26,636,000)
	<u>\$27,029,000</u>
Employment Service Administrative Account—State Appropriation	(\$60,926,000)
	<u>\$68,128,000</u>

Family and Medical Leave Insurance Account—State Appropriation	(\$139,697,000)
	<u>\$145,594,000</u>

Workforce Education Investment Account—State Appropriation	(\$7,400,000)
	<u>\$11,283,000</u>

Long-Term Services and Supports Trust Account—State Appropriation	(\$32,265,000)
	<u>\$35,902,000</u>

Coronavirus State Fiscal Recovery Fund—Federal Appropriation	(\$168,745,000)
	<u>\$66,128,000</u>

Unemployment Insurance Relief Account—State Appropriation	\$500,000,000
TOTAL APPROPRIATION	(\$1,779,520,000)
	<u>\$1,688,013,000</u>

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

(1) The department is directed to maximize the use of federal funds. The department must update its budget annually to align expenditures with anticipated changes in projected revenues.

(2) \$30,458,000 of the long-term services and supports trust account—state appropriation is provided solely for implementation of the long-term services and support trust program. Of this amount, \$10,932,833 is provided for implementation of the long-term services and support trust program information technology project and is subject to the conditions, limitations, and review provided in section 701 of this act.

(3) Within existing resources, the department must reassess its ongoing staffing and funding needs for the paid family medical leave program and submit documentation of the updated need to the governor and appropriate committees of the legislature by September 1, 2021, and annually thereafter.

(4) \$101,000 of the employment service administrative account—state appropriation is provided solely for information technology enhancements necessary for implementation of job title reporting and is subject to the conditions, limitations, and review provided in section 701 of this act.

(5)(a) Within existing resources, the department shall coordinate outreach and education to paid family and medical leave benefit recipients with a statewide family resource, referral, and linkage system that connects families with children prenatal through age five and residing in Washington state to appropriate services and community resources. This coordination shall include but is not limited to placing information about the statewide family resource, referral, and linkage system on the paid family and medical leave program web site and in printed materials, and conducting joint events.

(b) Within existing resources, by December 1, 2021, and each year thereafter, the department shall submit a report to the governor and the appropriate committees of the legislature concerning the ability for the paid family and medical leave program and a statewide family resource, referral, and linkage system to provide integrated services to eligible beneficiaries. The report shall include an analysis of any statutory changes needed to allow information and data to be shared between the statewide family resource, referral, and linkage system and the paid family and medical leave program.

(6) Within existing resources, the department shall report the following to the legislature and the governor by September 30, 2021, and each year thereafter:

(a) An inventory of the department's programs, services, and activities, identifying federal, state, and other funding sources for each;

(b) Federal grants received by the department, segregated by

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line of business or activity, for the most recent five fiscal years, and the applicable rules;

(c) State funding available to the department, segregated by line of business or activity, for the most recent five fiscal years;

(d) A history of staffing levels by line of business or activity, identifying sources of state or federal funding, for the most recent five fiscal years;

(e) A projected spending plan for the employment services administrative account and the administrative contingency account. The spending plan must include forecasted revenues and estimated expenditures under various economic scenarios.

(7) \$3,264,000 of the employment services administrative account—state appropriation is provided solely for the continuation of the office of agricultural and seasonal workforce services.

(8) \$476,000 of the unemployment compensation administration account—federal appropriation is provided for the department to implement chapter 2, Laws of 2021 (unemployment insurance). If the department does not receive adequate funding from the United States department of labor to cover these costs, the department may use funding made available to the state through section 903 (d), (f), and (g) of the social security act (Reed act) in an amount not to exceed the amount provided in this subsection (8).

(9)(a) \$875,000 of the general fund—state appropriation for fiscal year 2022(, \$875,000 of the general fund—state appropriation for fiscal year 2023,) and ((\$7,385,000)) \$8,260,000 of the workforce education investment account—state appropriation are provided solely for career connected learning grants as provided in RCW 28C.30.050.

(b) \$3,000,000 of the workforce education investment account—state appropriation is provided solely for career connect learning grants to sector intermediaries. Up to five percent of the amount in this subsection may be used for administrative expenses associated with the sector intermediary grant program.

(10) \$1,222,000 of the employment services administrative account—state appropriation and \$1,500,000 of the family and medical leave insurance account—state appropriation are provided solely for the maintenance and operation of the disaster recovery continuity of operations information technology project.

(11) \$80,000 of the employment services administrative account—state appropriation is provided solely for the department to produce a report on the feasibility of replicating the existing unemployment insurance program to serve individuals not eligible for unemployment insurance due to immigration status. The study shall identify programmatic differences that would mitigate barriers to access and reduce fear of participation and identify the operational and caseload costs associated with the replication. If using a replica of the unemployment insurance program conflicts with federal law, the study shall assess the operational and caseload costs of similar social net programs that serve individuals regardless of their citizenship status. The departments shall jointly submit recommendations required by this section to the governor and appropriate legislative committees no later than November 5, 2021. The department shall:

(a) Work with the departments of labor and industries, social and health services, and commerce and the office of the governor;

(b) Convene and meet at least three times with a group of eight to ten external stakeholders comprised of representatives from geographically diverse immigrant advocacy groups, labor organizations with a state-wide presence, workers' rights groups, and legal and policy advocacy groups focused on immigration and employment law; and

(c) Hold at least one listening session with community

members.

(12) ((\$41,456,000)) \$31,288,000 of the ((general fund—federal appropriation (ARPA) and)) coronavirus state fiscal recovery fund—federal appropriation, \$2,684,000 of the general fund—federal appropriation (CRF), and \$13,063,000 of the unemployment compensation administration account—federal appropriation are provided solely for the department to address the impacts of COVID-19 on the state unemployment system in order to prevent and detect fraud, promote equitable access to the unemployment insurance system, and ensure the timely payment of unemployment insurance benefits. Of the amounts provided in this subsection:

(a) \$22,346,000 of the ((general fund—federal appropriation (ARPA))) coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to address an anticipated increase in the unemployment insurance appeals caseload.

(b) ((\$5,768,000)) \$6,223,000 of the ((general fund—federal appropriation (ARPA))) unemployment compensation account—federal appropriation is provided solely for the department to ensure adequate security measures are in place to prevent unemployment insurance fraud and cases are investigated in a timely manner.

(c) \$4,465,000 of the ((general fund—federal appropriation (ARPA))) coronavirus state fiscal recovery fund—federal appropriation is provided solely for the department to migrate and upgrade the unemployment insurance customer call center phone system to a cloud-based system. Prior to executing a contract, the department shall consult with the office of the chief information officer. The department must ensure that the project plan, timeline with quantifiable deliverables, and budget by fiscal year by fund, to include ongoing costs by fiscal year, are adhered to. The department shall report on the status of the project to the office of financial management and the relevant committees of the legislature by December 1, 2021.

(d) ((\$400,000 of the general fund—federal appropriation (ARPA) is provided solely for translation of documents and letters and other improvements to ensure customer ease-of-access.

(e)) \$4,477,000 of the ((general fund—federal appropriation (ARPA))) coronavirus state fiscal recovery fund—federal appropriation is provided for the department to process the unemployment insurance claimant backlog and to make program changes that enhance user experience in order to reduce claimant errors.

((f)) (e) \$1,417,000 of the general fund—federal appropriation (CRF) is provided solely for the department to contract with the national guard to assist the department with its unemployment insurance claims backlog.

((g)) (f) \$1,267,000 of the general fund—federal appropriation (CRF) is provided solely for the department to contract with a vendor to provide fact-finding services related to unemployment insurance claims.

((h) \$4,000,000)) (g) \$6,840,000 of the ((general fund—federal appropriation (ARPA) for fiscal year 2022)) unemployment compensation administration account—federal appropriation is provided solely for the department to ((translate notices)) implement the federal United States department of labor equity grant. This grant includes improving the translation of notices sent to claimants as part of their unemployment insurance claims into any of the 10 languages most frequently spoken in the state and other language, demographic, and geographic equity initiatives approved by the grantor. The department must also ensure that letters, alerts, and notices produced manually or by the department's unemployment insurance technology system are

written in plainly understood language and evaluated for ease of claimant comprehension before they are approved for use.

(13) \$10,000,000 of the unemployment compensation administration account—federal appropriation is provided solely for the department to make information technology improvements to improve user experience and increase security to prevent unemployment insurance fraud. If the department does not receive adequate funding from the United States department of labor to cover these costs, the department may use funding made available to the state through section 903 (d), (f), and (g) of the social security act (Reed act) in an amount not to exceed the amount provided in this subsection. This subsection is subject to the conditions, limitations, and review provided in section 701 of this act.

(14) Within existing resources, the department shall report to the legislature by September 2, 2021, the following information pertaining to the unemployment insurance program:

(a) The number of full time equivalent employees of the department who were working in the unemployment insurance program, including those who were reassigned internally to the unemployment insurance program, the number of full time equivalent employees that were contracted by the department from other state agencies, and the number of contractors or consultants engaged by the department, on a monthly basis beginning March 1, 2020, through the latest available month;

(b) A projection of full-time equivalent staffing or contractor needs that would be affordable within anticipated base and above-base federal unemployment administrative revenues;

(c) A spending plan for anticipated federal unemployment revenues other than base or above-base revenues, including any proposed additional full-time equivalent staff, consultants, contractors, or other investments related to helping the department reduce the backlog of unemployment insurance claims, appeals, denials, overpayments, and other claimant issues; and

(d) A budget for the unemployment insurance program, showing expenditures by object and fund source, for fiscal years 2022 and 2023, along with any projected shortfalls in revenues.

(15) \$797,000 of the general fund—state appropriation for fiscal year 2022, \$1,874,000 of the general fund—state appropriation for fiscal year 2023, and \$979,000 of the family medical leave insurance account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5097 (paid leave coverage). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(16) \$90,000 of the unemployment account—federal appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5190 (health care workers/benefits). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(17) \$5,322,000 of the unemployment account—federal appropriation is provided solely for the department to implement Engrossed Substitute Senate Bill No. 5193 (unemployment ins. system). ((If the bill is not enacted by July 1, 2021, the amount provided in this subsection shall lapse.))

(18) ((\$168,745,000)) \$34,840,000 of the coronavirus state fiscal recovery ((account)) fund—federal appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1073 (paid leave coverage). ((Of the amount provided in this subsection, at least 95 percent is provided solely for grants and assistance awarded by the department pursuant to the bill. If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(19) \$500,000,000 of the unemployment insurance relief fund—state appropriation is provided solely for the implementation of unemployment insurance relief provided

pursuant to Engrossed Substitute Senate Bill No. 5478 (unemployment insurance). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)) The department is directed to implement the bill within existing resources.

(20) \$1,806,000 of the long-term services and supports trust account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1323 (long-term services trust). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(21) \$1,075,000 of the unemployment account—federal appropriation is provided solely for the implementation of Substitute House Bill No. 1455 (social security/L&I & ESD). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(22) \$10,571,000 of the ((general fund)) unemployment compensation administration account—federal appropriation is provided solely for administration costs related to the federal unemployment insurance programs extended under the American rescue plan act of 2021, P.L. 117-2.

(23) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the North Central educational service district 171 to support the development of industry and education partnerships and expand career awareness, exploration and preparation activities for youth in Grant county.

(24) \$4,843,000 of the employment service administrative account—state appropriation is provided solely for the replacement of the WorkSource integrated technology platform. The replacement system must support the workforce administration statewide to ensure adoption of the United States department of labor's integrated service delivery model and program performance requirements for the state's workforce innovation and opportunity act and other federal grants. This subsection is subject to the conditions, limitations, and review provided in section 701 of this act.

(25) \$6,208,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the continuation of the economic security for all program. The department must collect quarterly data on the number of participants that participate in the program, the costs associated with career, training, and other support services provided, and progress made towards self-sufficiency. The department must provide a report to the governor and the legislature on December 1, 2022, and June 1, 2023, that includes an analysis of the program, a summary of the quarterly data collected, and associated recommendations for program delivery.

(26) \$1,720,000 of the family and medical leave insurance account—state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5649 (family and medical leave). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(27) \$702,000 of the unemployment compensation administration account—federal appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5873 (unemployment insurance). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(28) \$262,000 of the employment services administrative account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5847 (public employee PSLF info). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(29) \$140,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for one full-time employee to provide casework on behalf of constituents who contact their legislators to escalate unresolved claims.

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(30) \$1,691,000 of the general fund—state appropriation for fiscal year 2022 and \$3,049,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to temporarily hire additional staff during the COVID-19 pandemic if existing resources are not sufficient to manage unemployment insurance program claims and backlogs. Prior to hiring additional staff under this subsection, the department must consult with the office of financial management.

Sec. 226. 2021 c 334 s 226 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES—GENERAL

(1)(a) The appropriations to the department of children, youth, and families in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of children, youth, and families shall initially be allotted as required by this act. The department shall seek approval from the office of financial management prior to transferring moneys between sections of this act except as expressly provided in this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose. However, after May 1, 2022, unless prohibited by this act, the department may transfer general fund—state appropriations for fiscal year 2022 among programs after approval by the director of the office of financial management. However, the department may not transfer state appropriations that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2022 caseload forecasts and utilization assumptions in the foster care, adoption support, child protective services, working connections child care, and the juvenile rehabilitation programs or in response to the COVID-19 pandemic, the department may transfer appropriations that are provided solely for a specified purpose.

(2) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that projects are planned for in a manner that ensures the efficient use of state resources, supports the adoption of a cohesive technology and data architecture, and maximizes federal financial participation. ((The work of the coalition and any project identified as a coalition project is subject to the conditions, limitations, and review provided in section 701 of this act.))

(3) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department are subject to technical oversight by the office of the chief information officer.

Sec. 227. 2021 c 334 s 227 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES—CHILDREN AND FAMILIES SERVICES PROGRAM

General Fund—State	Appropriation (FY 2022)	((389,597,000))
		\$374,129,000
General Fund—State	Appropriation (FY 2023)	((403,209,000))
		\$456,485,000
General Fund—Federal Appropriation		((475,829,000))
		\$486,218,000
General Fund—Private/Local Appropriation		\$2,824,000
Coronavirus State Fiscal Recovery Fund—Federal Appropriation		\$5,500,000
TOTAL APPROPRIATION		((1,276,959,000))
		\$1,325,156,000

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

(1) \$748,000 of the general fund—state appropriation for fiscal year 2022 and \$748,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract. No later than December 1, 2021, the department must, in consultation with the health care authority, report to the appropriate legislative committees on potential options to maximize federal funding for the center, including any potential for the center to bill managed care organizations for services provided to medicaid recipients.

(2) \$453,000 of the general fund—state appropriation for fiscal year 2022 and ((453,000)) \$722,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the costs of hub home foster and kinship families that provide a foster care delivery model that includes a hub home. Use of the hub home model is intended to support foster parent retention, provide support to biological families, improve child outcomes, and encourage the least restrictive community placements for children in out-of-home care.

(a) \$453,000 of the general fund—state appropriation for fiscal year 2022 and \$572,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the costs of hub home foster and kinship family constellations, and for a contract with an organization with expertise in implementing the hub home model with fidelity to provide technical assistance to hub home families and the department.

(b) \$150,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to support long-term implementation of the hub home model, including integrating the hub home model within the department's current and future service array and multiyear expansion planning. The department shall submit a preliminary report to the governor and appropriate legislative committees by December 1, 2022, and a final report to the governor and appropriate legislative committees by June 30, 2023, that details its progress and plans for long-term implementation of the hub home model.

(3) \$579,000 of the general fund—state appropriation for fiscal year 2022 and \$579,000 of the general fund—state appropriation

for fiscal year 2023 and \$110,000 of the general fund—federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(4) \$1,245,000 of the general fund—state appropriation for fiscal year 2022 and \$1,245,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for services provided through children's advocacy centers.

(5) In fiscal year 2022 and in fiscal year 2023, the department shall provide a tracking report for social service specialists and corresponding social services support staff to the office of financial management, and the appropriate policy and fiscal committees of the legislature. The report shall detail progress toward meeting the targeted 1:18 caseload ratio standard for child and family welfare services caseload-carrying staff and targeted 1:8 caseload ratio standard for child protection services caseload carrying staff. To the extent to which the information is available, the report shall include the following information identified separately for social service specialists doing case management work, supervisory work, and administrative support staff, and identified separately by job duty or program, including but not limited to intake, child protective services investigations, child protective services family assessment response, and child and family welfare services:

(a) Total full time equivalent employee authority, allotments and expenditures by region, office, classification and band, and job duty or program;

(b) Vacancy rates by region, office, and classification and band; and

(c) Average length of employment with the department, and when applicable, the date of exit for staff exiting employment with the department by region, office, classification and band, and job duty or program.

(6) \$94,000 of the general fund—state appropriation for fiscal year 2022 and \$94,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a contract with a child advocacy center in Spokane to provide continuum of care services for children who have experienced abuse or neglect and their families.

(7)(a) \$539,000 of the general fund—state appropriation for fiscal year 2022, ((\$540,000)) \$1,000,000 of the general fund—state appropriation for fiscal year 2023, \$656,000 of the general fund private/local appropriation, and \$252,000 of the general fund—federal appropriation are provided solely for a contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the department's transition to performance-based contracts. Funding must be prioritized to regions with high numbers of foster care youth, ((or)) regions where backlogs of youth that have formerly requested educational outreach services exist, or youth with high educational needs. The department is encouraged to use private matching funds to maintain educational advocacy services.

(b) The department shall contract with the office of the superintendent of public instruction, which in turn shall contract with a nongovernmental entity or entities to provide educational advocacy services pursuant to RCW 28A.300.590.

(8) \$375,000 of the general fund—state appropriation for fiscal year 2022, \$375,000 of the general fund—state appropriation for fiscal year 2023, and \$112,000 of the general fund—federal appropriation are provided solely for the department to develop, implement, and expand strategies to improve the capacity, reliability, and effectiveness of contracted visitation services for children in temporary out-of-home care and their parents and siblings. Strategies may include, but are not limited to, increasing

mileage reimbursement for providers, offering transportation-only contract options, and mechanisms to reduce the level of parent-child supervision when doing so is in the best interest of the child. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature regarding these strategies by November 1, 2022. The report shall include the number and percentage of parents requiring supervised visitation and the number and percentage of parents with unsupervised visitation, prior to reunification.

(9) For purposes of meeting the state's maintenance of effort for the state supplemental payment program, the department of children, youth, and families shall track and report to the department of social and health services the monthly state supplemental payment amounts attributable to foster care children who meet eligibility requirements specified in the state supplemental payment state plan. Such expenditures must equal at least \$3,100,000 annually and may not be claimed toward any other federal maintenance of effort requirement. Annual state supplemental payment expenditure targets must continue to be established by the department of social and health services. Attributable amounts must be communicated by the department of children, youth, and families to the department of social and health services on a monthly basis.

(10) \$2,230,000 of the general fund—state appropriation for fiscal year 2022, \$2,230,000 of the general fund—state appropriation for fiscal year 2023, and \$156,000 of the general fund—federal appropriation are provided solely to increase the travel reimbursement for in-home service providers.

(11) \$197,000 of the general fund—state appropriation for fiscal year 2022 and \$197,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to conduct biennial inspections and certifications of facilities, both overnight and day shelters, that serve those who are under 18 years old and are homeless.

(12) \$6,195,000 of the general fund—state appropriation for fiscal year 2022, \$6,195,000 of the general fund—state appropriation for fiscal year 2023, and \$1,188,000 of the general fund—federal appropriation are provided solely for the department to operate emergent placement and enhanced emergent placement contracts.

(a) The department shall not include the costs to operate emergent placement contracts in the calculations for family foster home maintenance payments and shall submit as part of the budget submittal documentation required by RCW 43.88.030 any costs associated with increases in the number of emergent placement contract beds after the effective date of this section that cannot be sustained within existing appropriations.

(b) Beginning October 1, 2021, and every quarter thereafter, the department shall publish on its website the rates or fees paid for emergent placement contracts, the number of beds retained, and the number of beds purchased. If the department determines that there is a need to increase the rates or fees paid or the number of beds retained or purchased under this subsection, the secretary shall request authorization from the office of financial management and notify the fiscal committees of the legislature.

(13) Beginning January 1, 2022, and continuing through the 2021-2023 fiscal biennium, the department must provide semi-annual reports to the governor and appropriate legislative committees that includes the number of in-state behavioral rehabilitation services providers and licensed beds, the number of out-of-state behavioral rehabilitation services placements, and a comparison of these numbers to the same metrics expressed as an average over the prior six months. The report shall identify separately beds with the enhanced behavioral rehabilitation services rate. Effective January 1, 2022, and to the extent the information is available, the report will include the same

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information for emergency placement services beds and enhanced emergency placement services beds.

(14) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementing the supportive visitation model that utilizes trained visit navigators to provide a structured and positive visitation experience for children and their parents.

(15) \$600,000 of the general fund—state appropriation for fiscal year 2022 and \$600,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for enhanced adoption placement services for legally free children in state custody, through a partnership with a national nonprofit organization with private matching funds. These funds must supplement, but not supplant, the work of the department to secure permanent adoptive homes for children with high needs.

(16) The department of children, youth, and families shall make foster care maintenance payments to programs where children are placed with a parent in a residential program for substance abuse treatment. These maintenance payments are considered foster care maintenance payments for purposes of forecasting and budgeting at maintenance level as required by RCW 43.88.058.

(17) \$2,000,000 of the general fund—state appropriation for fiscal year 2022 and \$2,000,000 of the general fund—~~((federal))~~ state appropriation for fiscal year 2023 are provided solely for the department to contract with one or more nonprofit, nongovernmental organizations to purchase and deliver concrete goods to low-income families.

(18) \$5,500,000 of the ~~((general fund—federal appropriation (ARPA/CSFRF)))~~ coronavirus state fiscal recovery fund—federal appropriation is provided solely for one-time \$250 per child grants to families on behalf of up to 22,000 children who may be at risk of child welfare system involvement and have experienced economic impacts of the COVID-19 pandemic.

(19) The department is authorized to use the amounts provided in this section for services and maintenance payments to former dependent youth as authorized and directed in the supporting foster youth and families through the pandemic act, P.L. 116-260, division X.

(20) \$387,000 of the general fund—state appropriation for fiscal year 2022, \$393,000 of the general fund—state appropriation for fiscal year 2023, and \$143,000 of the general fund—federal appropriation are provided solely to increase all fees paid to child-placing agencies by 7.5 percent, effective July 1, 2021.

(21)(a) \$739,000 of the general fund—state appropriation for fiscal year 2022, \$702,000 of the general fund—state appropriation for fiscal year 2023, and \$482,000 of the general fund—federal appropriation are provided solely for the department of children, youth, and families to create and implement a new approach to transition planning for young people preparing to exit the child welfare system and juvenile rehabilitation institutions, pursuant to the recommendations in the *improving stability for youth exiting systems of care* report submitted in January 2020 as required by RCW 43.330.720. The department must engage young people, caregivers, providers, and other stakeholders in the creation and implementation of the approach by:

(i) Providing one statewide adolescent transitions program manager and six adolescent liaisons, one in each region of the department, who are dedicated to supporting the transition planning approaches developed by the department, providing program oversight, and supporting improved outcomes for adolescents during the transition to adulthood; and

(ii) Strengthening the administration and competency of the independent living program and direct independent living services. No later than June 1, 2022, the department must centralize administration of its independent living program and develop a framework for service delivery, including best practice recommendations. The framework must be codesigned with adolescents, caregivers, providers, and stakeholders. No later than June 30, 2022, the department must develop and launch a competitive request for proposal process to solicit bidders to provide independent living services under the new framework.

(b) No later than November 30, 2022, the department must report to the governor and appropriate legislative committees on the implementation of the new approach to transition planning, the new independent living framework, and the state's capacity to provide high-quality transition services, including independent living services, to youth and young adults exiting the child welfare system and juvenile rehabilitation institutions. The report must identify any remaining service gaps that prevent statewide implementation and address the additional resources needed to improve outcomes for young people exiting these systems of care.

(22) \$2,400,000 of the general fund—state appropriation for fiscal year 2022 and \$2,400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of performance-based contracts for family support and related services pursuant to RCW 74.13B.020.

(23) The appropriations in this section include sufficient funding for continued implementation of chapter 80, Laws of 2018 (2SSB 6453) (kinship caregiver legal support).

(24) The appropriations in this section include sufficient funding to implement chapter 51, Laws of 2020 (SHB 2873) (families in conflict).

(25) \$511,000 of the general fund—state appropriation for fiscal year 2023 and \$153,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1219 (youth counsel/dependency). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(26) \$219,000 of the general fund—state appropriation for fiscal year 2022, \$208,000 of the general fund—state appropriation for fiscal year 2023, and \$295,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1061 (child welfare/developmental disability). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(27) (((\$29,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to implement Second Substitute House Bill No. 1127 (COVID-19 health data privacy). If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(28))) \$451,000 of the general fund—state appropriation for fiscal year 2022 and \$662,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with a community organization with expertise in the LifeSet case management model to serve youth and adults currently being served in or exiting the foster care, juvenile justice, and mental health systems to successfully transition to adulthood.

((((29))) (28) \$326,000 of the general fund—state appropriation for fiscal year 2022, \$326,000 of the general fund—state appropriation for fiscal year 2023, and \$148,000 of the general fund—federal appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 1194 (parent-child visitation). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(30))) (29) \$499,000 of the general fund—state appropriation for fiscal year 2022, \$499,000 of the general fund—state appropriation for fiscal year 2023, and \$310,000 of the general fund—federal appropriation are provided solely to expand the family connections program in two areas of the state in which the program is not already established as of the effective date of this section. One expansion site must be located west of the crest of the Cascade mountain range and the other expansion site must be located east of the crest of the Cascade mountain range. The program expansion must follow the family connections program model pursuant to RCW 74.13.715. To operate the two expansion sites, the department must contract with a community-based organization that has experience working with the foster care population and administering the family connections program.

((31))) (30) \$25,000 of the general fund—state appropriation for fiscal year 2023 and \$25,000 of the general fund—federal appropriation (ARPA) are provided solely for the department to implement Engrossed Second Substitute House Bill No. 1227 (child abuse allegations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(32))) (31) If the department receives an allocation of federal funding through an unanticipated receipt, the department shall not expend more than what was approved or for another purpose than what was approved by the governor through the unanticipated receipt process pursuant to RCW 43.79.280.

(32) \$1,513,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a new behavioral rehabilitation services facility in Vancouver.

(33) \$449,000 of the general fund—state appropriation for fiscal year 2022, \$1,203,000 of the general fund—state appropriation for fiscal year 2023, and \$353,000 of the general fund—federal appropriation are provided solely for the department to revise and update its policies, procedures, and the state Title IV-E plan to reflect that it is appropriate to only refer child welfare cases to the department of social and health services division of child support enforcement when the court has found a child to have been abandoned by their parent or guardian as defined in RCW 13.34.030.

(34) \$800,000 of the general fund—state appropriation for fiscal year 2023 and \$200,000 of the general fund—federal appropriation are provided solely for the department to contract for a child welfare workload study, which must include an evaluation of workload impacts required by state and federal law and make recommendations for staffing models and system improvements.

(a) The study must consider, but is not limited to, enacted laws and forthcoming legislation related to child welfare such as the keeping families together act, chapter 211, Laws of 2021, and the family first prevention services act.

(b) The study must include, at a minimum, all child welfare case-carrying workers including but not limited to: Child protective services, child welfare case workers, and child welfare licensing staff, including foster care assessment, safety and monitoring, and child protective services licensing.

(c) The study must evaluate the workload impacts related to changes in the application of the federal Indian child welfare act, 25 U.S.C. Secs. 1901-1963 and the Washington state Indian child welfare act, chapter 13.38 RCW as required by *In re Dependency of G.J.A., A.R.A., S.S.A., J.J.A., and V.A.*, 197 Wn.2d 868 (2021) and *In re Dependency of Z.J.G. and M.E.J.G.*, 196 Wn.2d 152 (2020).

(d) The department must establish a steering committee inclusive of members who are familiar with public child welfare practice and who have had substantial experience with similar studies. The steering committee members will be appointed by the agency secretary and must include internal and external

members.

(e) A final report must also include recommendations to streamline internal processes; to more equitably allocate staff and contracted resources statewide; to reduce workload through technology; to reduce staff attrition; and to increase direct service time. The report must be submitted to the governor and appropriate fiscal committees of the legislature by June 30, 2023.

(35) Within the amounts provided in this section, sufficient funding is provided for the department to contract with a community organization to administer monthly stipends to young adults who were impacted by the federal moratorium that prohibited states from discharging them from extended foster care due to age through September 30, 2021, and young adults who age out of extended foster care between October 1, 2021, and June 30, 2023. To the extent feasible, the organization must administer the monthly stipends at consistent amounts per young adult each month.

(36) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract for a systems assessment of state and federally funded services and benefits for young adults enrolled in or exiting extended foster care and make recommendations to improve the continuum of supports for the extended foster care population to support successful transitions to independent adulthood.

(a) The systems assessment must include, but is not limited to, the following:

(i) A survey of state and federally funded services and benefits, and the utilization of such services and benefits, including but not limited to economic services, housing programs and payment vouchers, independent living programs, educational supports, and access to postsecondary opportunities, including vocational training and placement programs, legal services, navigation assistance, and peer mentoring. The survey must examine how these services and benefits contribute to a continuum of supports for young adults enrolled in extended foster care and those who have exited since September 2021;

(ii) A young adult needs assessment, including collecting data on young adults enrolled in extended foster care and those who have exited since September 2021. The needs assessment must also gauge young adults' awareness of and ability to access the available services and benefits;

(iii) Identification of gaps or redundancies within the existing array of state and federally funded programs serving the extended foster care population;

(iv) Identification of funding sources or programs that could be used to address any gaps in the array of services and benefits available; and

(v) An assessment of the various data systems currently used or capable of being used to report on the young adult population served by the extended foster care program. The data assessment must include a discussion of any system limitations and recommendations to support future data tracking of outcomes for this population.

(b) The department and contractor must engage with state agencies administering relevant programs, contracted organizations serving the extended foster care population, and young adults currently in extended foster care and those who have exited since September 2021 to conduct the systems assessment. A status update must be submitted to the governor and appropriate fiscal and policy committees of the legislature by November 30, 2022. A final report must be submitted to the governor and appropriate fiscal and policy committees by June 30, 2023.

(37) \$492,000 of the general fund—state appropriation for fiscal year 2023 and \$133,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1747 (child relative placements). If the bill is not enacted

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by June 30, 2022, the amounts provided in this subsection shall lapse.

(38) \$3,920,000 of the general fund—state appropriation for fiscal year 2022, \$15,679,000 of the general fund—state appropriation for fiscal year 2023, and \$4,302,000 of the general fund—federal appropriation are provided solely to, effective April 1, 2022, increase the hourly rate for contracted visitation providers, implement standards regarding Indian child welfare act quality enhancement and compliance in visitation contracts, and reimburse visitation providers for mileage travelled between zero and 60 miles. It is the intent of the legislature that contracted visitation providers use funding provided in this subsection to increase hourly wages for visitation workers.

(39) \$767,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the child welfare housing assistance pilot program authorized in RCW 74.13.802.

(40) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the provision of SafeCare, an evidence-based parenting program, for families in Grays Harbor county.

(41) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to establish and implement two play-and-learn groups for families in Grays Harbor county.

(42) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a clinic that treats prenatal substance exposure in children up to age 13 and that primarily serves families from Snohomish and King counties. It is the intent of the legislature that the department's contract with the clinic prioritize children for services who are at risk of being removed from their family home, who were recently reunified with their family following an out-of-home placement, who have experienced multiple out-of-home placements and are at risk of additional placements, and any other priority populations identified by the department.

(43) \$1,926,000 of the general fund—state appropriation for fiscal year 2022, \$7,704,000 of the general fund—state appropriation for fiscal year 2023, and \$3,745,000 of the general fund—federal appropriation are provided solely to increase the monthly rate paid to contracted behavioral rehabilitation services facilities to \$16,861.91 per youth, effective April 1, 2022. It is the intent of the legislature that the department's vendor contracts specify that the funding provided in this subsection is to increase the hourly wage for direct care workers, with the intent of the legislature to achieve at least \$25.00.

(44) \$650,000 of the general fund—state appropriation for fiscal year 2022, \$2,598,000 of the general fund—state appropriation for fiscal year 2023, and \$1,263,000 of the general fund—federal appropriation are provided solely to increase the monthly rate paid for contracted behavioral rehabilitation services therapeutic foster care to \$10,126.92 per youth, effective April 1, 2022. It is the intent of the legislature that the department's vendor contracts specify that funding provided in this subsection is provided to increase pass-through payments to therapeutic foster care homes.

(45) \$8,440,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to increase the reimbursement rates for combined in-home services providers as recommended in the October 2021 combined in-home services cost study.

(46) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$275,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for improving the financial capability of dependent youth.

(a) The department shall develop a report with recommendations of how to improve access to private, self-controlled bank accounts for dependent youth ages 14 and up as

well as other strategies for improving financial capability of dependent youth. The department must consult with stakeholders on development of the recommendations and report. The report shall include but is not limited to an analysis of the following:

(i) The documentation and information necessary for youth to establish bank accounts;

(ii) Appropriate mechanisms to support youth in establishing the accounts;

(iii) Issues related to compliance with current state and federal laws that could impact the availability of accounts and release of funds; and

(iv) Data on the number of dependent youth, including youth in extended foster care, ages 14 and up with private, self-controlled bank accounts.

(b) The report must include recommendations on how to ensure statewide access to high quality, developmentally, and culturally appropriate financial education for dependent youth ages 12 and up.

(c) The report must include recommendations for statutory or policy changes, including the number of youth who have established a private self-controlled bank account, to implement the recommendations of the report.

(d) The analysis and recommendations are due to the appropriate committees of the legislature by December 1, 2022, in compliance with RCW 43.01.036.

Sec. 228. 2021 c 334 s 228 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES—JUVENILE REHABILITATION PROGRAM

General Fund—State	Appropriation	(FY 2022)
		((127,325,000))
		\$123,463,000
General Fund—State	Appropriation	(FY 2023)
		((129,690,000))
		\$131,424,000
General Fund—Federal Appropriation		((3,464,000))
		\$694,000
General Fund—Private/Local Appropriation		((1,787,000))
		\$166,000
Washington Auto Theft Prevention Authority Account—State Appropriation		\$196,000
TOTAL APPROPRIATION		((262,462,000))
		\$255,943,000

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

(1) ((331,000 of the general fund—state appropriation for fiscal year 2022 and \$331,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2)) \$2,841,000 of the general fund—state appropriation for fiscal year 2022 and \$2,841,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to county juvenile courts for the ((juvenile justice)) programs identified by the Washington state institute for public policy in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." Additional funding for this purpose is

provided through an interagency agreement with the health care authority. County juvenile courts shall apply to the department of children, youth, and families for funding for program-specific participation and the department shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

((3)) (2) \$1,537,000 of the general fund—state appropriation for fiscal year 2022 and \$1,537,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for expansion of the juvenile justice treatments and therapies in department of children, youth, and families programs identified by the Washington state institute for public policy in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." The department may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

((4)) (3)(a) \$6,198,000 of the general fund—state appropriation for fiscal year 2022 and \$6,198,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to implement evidence- and research-based programs through community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants. In addition to funding provided in this subsection, funding to implement alcohol and substance abuse treatment programs for locally committed offenders is provided through an interagency agreement with the health care authority.

(b) The department of children, youth, and families shall administer a block grant to county juvenile courts for the purpose of serving youth as defined in RCW 13.40.510(4)(a) in the county juvenile justice system. Funds dedicated to the block grant include: Consolidated juvenile service (CJS) funds, community juvenile accountability act (CJAA) grants, chemical dependency/mental health disposition alternative (CDDA), and suspended disposition alternative (SDA). The department of children, youth, and families shall follow the following formula and must prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative: (i) Thirty-seven and one-half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for the assessment of low, moderate, and high-risk youth; (iii) twenty-five percent for evidence-based program participation; (iv) seventeen and one-half percent for minority populations; (v) three percent for the chemical dependency and mental health disposition alternative; and (vi) two percent for the suspended dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the department of children, youth, and families and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

(c) The department of children, youth, and families and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the department of children, youth, and families and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be co-chaired by the department

of children, youth, and families and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. The committee may make changes to the formula categories in (d)(ii) of this subsection if it determines the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost/benefit savings to the state, including long-term cost/benefit savings. The committee must also consider these outcomes in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(d) The juvenile courts and administrative office of the courts must collect and distribute information and provide access to the data systems to the department of children, youth, and families and the Washington state institute for public policy related to program and outcome data. The department of children, youth, and families and the juvenile courts must work collaboratively to develop program outcomes that reinforce the greatest cost/benefit to the state in the implementation of evidence-based practices and disposition alternatives.

((5) \$1,352,000) (4) \$645,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,352,000)) \$645,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for funding of the teamchild project.

((6) \$283,000 of the general fund—state appropriation for fiscal year 2022 and \$283,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the juvenile detention alternatives initiative.

(7)) (5) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant program focused on criminal street gang prevention and intervention. The department of children, youth, and families may award grants under this subsection. The department of children, youth, and families shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection. Each entity receiving funds must report to the department of children, youth, and families on the number and types of youth served, the services provided, and the impact of those services on the youth and the community.

((8)) (6) The juvenile rehabilitation institutions may use funding appropriated in this subsection to purchase goods, supplies, and services through hospital group purchasing organizations when it is cost-effective to do so.

((9)) (7) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to county juvenile courts to establish alternative detention facilities similar to the proctor house model in Jefferson county, Washington, that will provide less restrictive confinement alternatives to youth in their local communities. County juvenile courts shall apply to the department of children, youth, and families for funding and each entity receiving funds must report to the department on the number and types of youth serviced, the services provided, and the impact of those services on the youth and the community.

((10)) (8) \$432,000 of the general fund—state appropriation for fiscal year 2022 and \$432,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to provide housing services to clients releasing from incarceration into the community.

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((11))) (9) \$100,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to assess the juvenile court assessment tool. The juvenile rehabilitation program shall contract with the Washington state institute for public policy to review the standardized juvenile court assessment tool to access whether it accurately determines eligibility criteria and properly assigns youth to programs that meet their needs. The institute must work in collaboration with the juvenile block grant proviso committee.

((12))) (10)(a) \$773,000 of the general fund—state appropriation for fiscal year 2022 and \$986,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1186 (concerning juvenile rehabilitation community transition services). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(b) Of the amounts provided in (a) of this subsection, \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$105,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for housing vouchers.

((13))) (11) \$128,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1295 (institutional ed./release). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(14))) (12) \$122,000 of the general fund—state appropriation for fiscal year 2022 and \$123,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5118 (supporting successful reentry). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(15))) (13) Sufficient funding is provided within this section for implementation of Engrossed Second Substitute Senate Bill No. 5304 (reentry services/state and local institutions).

((16))) (14) Within existing resources, the department shall evaluate the Martin hall juvenile detention facility located in Medical Lake as an option for increased capacity needs for the juvenile rehabilitation program.

(15) \$711,000 of the general fund—state appropriation for fiscal year 2022 and \$848,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 2050 (parent pay/child detention). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(16)(a) The block grant oversight committee, as defined in RCW 13.40.511, shall work in collaboration with the Washington state institute for public policy, the University of Washington's evidence-based practice institute, and the children and family and early learning divisions of the department of children, youth, and families to develop recommendations for the expansion of community juvenile accountability programs funded through juvenile court block grant funding provided by the juvenile rehabilitation division of the department of children, youth, and families and the juvenile courts. The committee's recommendations shall include consideration of the expansion of:

(i) Block grant funding to community juvenile programs that provide services to juveniles assessed as low risk;

(ii) Block grant funding to community juvenile programs that provide services that are not solely focused on reducing recidivism;

(iii) Available block grant funding needed to complete evaluations of programs such that more programs may be evaluated to be classified as evidence-based; and

(iv) Classifications used by the Washington state institute for public policy to demonstrate the effectiveness of programs

provided by juvenile court.

(b) The block grant oversight committee must report its findings and recommendations to the appropriate committees of the legislature by November 1, 2022.

(17) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the juvenile rehabilitation administration to contract with a peer navigator program that currently mentors and assists with the needs of justice-involved youth and young adults who are from the city of Federal Way and who are currently residing at the Green Hill school. The mentorship program must provide peer coaching and support by aiding in the personal and professional development of incarcerated youth and young adults through life skills, job readiness, youth leadership, and results-based projects.

(18) \$40,000 of the general fund—state appropriation for fiscal year 2022 and \$156,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for two juvenile education-security staff positions for juvenile rehabilitation's GED education programs. One education-security position must be located at the Echo Glen children's center to assist with the open doors program and one education-security position must be located at the Green Hill school. The goal of the education-security positions is to provide dependable, daily education opportunities for students participating in the GED programs located at the respective institutional facilities. The education-security positions are responsible for providing daily escort to and from the classroom for students attending school and for providing classroom management during the period while students are attending classes.

(19) \$2,100,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for maintaining staffing levels at juvenile rehabilitation facilities independent from fluctuating caseloads.

(20) The department of children, youth, and families—juvenile rehabilitation must cease new placements at the Naselle youth camp, with the goal of closing the camp by June 30, 2023. It is the intention of the legislature after the closure to transfer management of the Naselle youth camp land and facilities to the department of natural resources in the 2023-2025 fiscal biennium and develop the facilities into an outdoor school. The department must assist the department of natural resources and the office of the superintendent of public instruction with the proposal on the use of the Naselle youth camp for an outdoor school as needed pursuant to section 310 of this act.

(21) \$1,000 of the general fund—state appropriation for fiscal year 2023 is for implementation of Senate Bill No. 5657 (juvenile instit./comp sci).

Sec. 229. 2021 c 334 s 229 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES—EARLY LEARNING PROGRAM

General Fund—State	Appropriation (FY 2022)	
		((289,936,000))
		\$327,631,000
General Fund—State	Appropriation (FY 2023)	
		((348,787,000))
		\$402,195,000
General Fund—Federal	Appropriation	((1,066,945,000))
		\$1,070,579,000
General Fund—Private/Local	Appropriation	((86,000))
		\$100,000
Education Legacy Trust	Account—State	Appropriation
		((28,127,000))
		\$28,172,000
Home Visiting Services	Account—State	Appropriation

				((23,966,000))
				<u>\$25,579,000</u>
Home Visiting Services Account—Federal	Appropriation			\$29,776,000
Washington Opportunity Pathways Account—State	Appropriation			\$80,000,000
Workforce Education Investment Account—State	Appropriation			\$8,482,000
TOTAL APPROPRIATION				((1,876,105,000))
				<u>\$1,972,514,000</u>

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

(1)(a) ((80,273,000)) \$82,040,000 of the general fund—state appropriation for fiscal year 2022, ((119,932,000)) \$132,776,000 of the general fund—state appropriation for fiscal year 2023, \$24,070,000 of the education legacy trust account—state appropriation, \$80,000,000 of the opportunity pathways account—state appropriation, and \$25,452,000 of the general fund—federal appropriation (CRRSA/GEER) are provided solely for the early childhood education and assistance program. These amounts shall support at least 15,162 slots in fiscal year 2022 and ((15,912)) 16,278 slots in fiscal year 2023. Of the total slots in each fiscal year, 100 slots must be reserved for foster children to receive school-year-round enrollment.

(b) Of the amounts provided in this subsection, \$14,930,000 of the general fund—state appropriation for fiscal year 2023 and \$14,889,000 of the general fund—federal appropriation (CRRSA/GEER) are for a slot rate increase of ten percent beginning July 1, 2021. The funding provided in this subsection is sufficient for the department to increase rates according to inflation, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.), beginning in fiscal year 2023 and annually thereafter.

(c) Of the amounts provided in this subsection, \$2,664,000 of the general fund—state appropriation for fiscal year 2023 is provided to convert 777 part day slots to full day slots in fiscal year 2023.

(d) Of the amounts provided in this subsection, \$409,000 of the general fund—state appropriation for fiscal year 2022 and \$859,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a \$54 per slot quality support rate, which will increase by 1.5 percent annually beginning in fiscal year 2024.

(e) Of the amounts provided in this subsection, \$1,358,000 of the general fund—state appropriation for fiscal year 2022 and \$4,612,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to provide early childhood education and assistance program services during summer 2022 to 2,212 part day program slots, including 2,011 slots in an in-person learning program and 201 slots provided other additional services.

(f) The department of children, youth, and families must develop a methodology to identify, at the school district level, the geographic locations of where early childhood education and assistance program slots are needed to meet the entitlement specified in RCW 43.216.556. This methodology must be linked to the caseload forecast produced by the caseload forecast council and must include estimates of the number of slots needed at each school district and the corresponding facility needs required to meet the entitlement in accordance with RCW 43.216.556. This methodology must be included as part of the budget submittal documentation required by RCW 43.88.030.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to develop and provide culturally relevant supports for parents, family, and other

caregivers.

(3) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies.

(4) The legislature recognizes that the federal government has provided substantial additional funding through the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M. and the American rescue plan act of 2021, P.L. 117-2. The purpose of the additional federal funding is to ensure access to affordable child care and to stabilize and support child care providers from the effects of the COVID-19 pandemic. The legislature intends with the passage of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.) to implement these federal purposes by expanding eligibility for subsidized child care, reducing parent copayments, increasing provider base rates to recognize increased costs, and providing other financial support to stabilize the child care sector to remain open or to reopen. The legislature finds that the state lacked the fiscal capacity to make these investments and the additional federal funding has provided the opportunity to supplement state funding to expand and accelerate child care access, affordability, and provider support as the state navigates the COVID-19 pandemic and its aftermath.

(5) ((20,110,000)) \$39,723,000 of the general fund—state appropriation in fiscal year 2022, ((45,757,000)) \$54,505,000 of the general fund—state appropriation in fiscal year 2023, \$8,482,000 of the workforce education investment account—state appropriation, \$283,375,000 of the general fund—federal appropriation, \$59,893,000 of the general fund—federal appropriation (CARES), ((65,482,000)) \$98,723,000 of the general fund—federal appropriation (CRRSA), and ((111,252,000)) \$153,814,000 of the general fund—federal appropriation (ARPA) are provided solely for the working connections child care program under RCW 43.216.135. Of the amounts provided in this subsection:

(a) The department of children, youth, and families shall work in collaboration with the department of social and health services to determine the appropriate amount of state expenditures for the working connections child care program to claim towards the state's maintenance of effort for the temporary assistance for needy families program. The departments will also collaborate to track the average monthly child care subsidy caseload and expenditures by fund type, including child care development fund, general fund—state appropriation, and temporary assistance for needy families for the purpose of estimating the annual temporary assistance for needy families reimbursement from the department of social and health services to the department of children, youth, and families. Effective December 1, 2022, and annually thereafter, the department of children, youth, and families must report to the governor and the appropriate fiscal and policy committees of the legislature the total state contribution for the working connections child care program claimed the previous fiscal year towards the state's maintenance of effort for the temporary assistance for needy families program and the total temporary assistance for needy families reimbursement from the department of social and health services for the previous fiscal year.

(b) \$6,390,000 is for the compensation components of the 2021-2023 collective bargaining agreement covering family child care providers as provided in section 947 of this act. Of the amounts provided in this subsection:

(i) \$4,410,000 is for a 35 cent per hour per child rate increase for family, friends, and neighbor providers (FFNs) beginning July 1, 2022;

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(ii) \$854,000 is to increase the rate paid to providers who reach level 3.5 of the state's early achievers quality rating system by two percent beginning July 1, 2021; and

(iii) \$1,126,000 is to increase the nonstandard hour care rate by \$10.00 per child per month beginning July 1, 2021.

(c) \$42,562,000 of the general fund—federal appropriation (ARPA) and \$2,785,000 of the general fund—federal appropriation (CRRSA) are provided solely for the implementation of an agreement reached between the governor and the service employees international union local 925 for a cost of care rate enhancement for family child care providers under the provisions of chapter 41.56 RCW for fiscal year 2023 as provided in section 940 of this act.

(d) \$45,935,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a 16 percent subsidy base rate enhancement for child care centers for fiscal year 2023.

(e) It is the intent of the legislature to continue to rebase child care provider subsidy base rates to the 85th percentile of market in subsequent fiscal biennia.

(f) \$59,893,000 of the general fund—federal appropriation (CARES), \$65,925,000 of the general fund—federal appropriation (CRRSA), and \$99,918,000 of the general fund—federal appropriation (ARPA) are provided solely for enhancements to the working child care connections program, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). Of the amounts provided in this subsection:

(i) \$28,759,000 of the general fund—federal appropriation (CARES), \$11,993,000 of the general fund—federal appropriation (CRRSA), and \$35,979,000 of the general fund—federal appropriation (ARPA) are provided solely for the implementation of reduced household child care monthly copayments. For households at or below 50 percent of the state median income, copayments are capped at \$115 through January 1, 2022, and \$90 from January 1, 2022, through fiscal year 2023. For households at or below 60 percent of the state median income, copayments are capped at \$115 through June 30, 2023.

(ii) \$31,134,000 of the general fund—federal appropriation (CARES), \$40,195,000 of the general fund—federal appropriation (CRRSA), and \$45,476,000 of the general fund—federal appropriation (ARPA) are provided solely to increase subsidy base rates to the 85th percentile of market for child care providers. The state and the representative for family child care providers must enter into bargaining over the implementation of subsidy rate increases, and apply those increases consistent with the terms of this proviso and the agreement reached between the parties.

(iii) \$3,930,000 of the general fund—federal appropriation (CRRSA) and \$4,903,000 of the general fund—federal appropriation (ARPA) are provided solely to waive work requirements for student parents utilizing the working connections child care program.

(iv) \$6,726,000 of the general fund—federal appropriation (CRRSA) and \$10,633,000 of the general fund—federal appropriation (ARPA) are provided solely to expand eligibility for the working connections child care program to households at or below 60 percent of state median income, beginning October 1, 2021.

(v) \$1,549,000 of the general fund—federal appropriation (CRRSA) and \$982,000 of the general fund—federal appropriation (ARPA) are provided solely for the department to implement an infant rate enhancement for child care providers.

((d) In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households and the department

shall give prioritized access into the program according to the following order:

(i) Families applying for or receiving temporary assistance for needy families (TANF);

(ii) TANF families curing sanction;

(iii) Foster children;

(iv) Families that include a child with special needs;

(v) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(vi) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family assessment response from the department in the past six months, and have received a referral for child care as part of the family's case management;

(vii) Families that received subsidies within the last thirty days and:

(A) Have reapplied for subsidies; and

(B) Have household income of 60 percent of the state median income or below; and

(viii) All other eligible families.

(e)) (g) \$21,215,000 of the general fund—federal appropriation (CRRSA) is provided solely for enrollment based payments from April 2022 through June 2022.

(h) On July 1, 2021, and July 1, 2022, the department, in collaboration with the department of social and health services, must report to the governor and the appropriate fiscal and policy committees of the legislature on the status of overpayments in the working connections child care program. The report must include the following information for the previous fiscal year:

(i) A summary of the number of overpayments that occurred;

(ii) The reason for each overpayment;

(iii) The total cost of overpayments;

(iv) A comparison to overpayments that occurred in the past two preceding fiscal years; and

(v) Any planned modifications to internal processes that will take place in the coming fiscal year to further reduce the occurrence of overpayments.

(6) Within available amounts, the department in consultation with the office of financial management shall report enrollments and active caseload for the working connections child care program to the governor and the legislative fiscal committees and the legislative-executive WorkFirst poverty reduction oversight task force on an agreed upon schedule. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(7) \$623,000 of the general fund—state appropriation for fiscal year 2022, \$935,000 of the general fund—state appropriation for fiscal year 2023, and \$6,701,000 of the general fund—federal appropriation are provided solely for the seasonal child care program.

(8) \$871,000 of the general fund—state appropriation for fiscal year 2022 and \$871,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department of children, youth, and families to contract with a countywide nonprofit organization with early childhood expertise in Pierce county for a pilot project to prevent child abuse and neglect using nationally recognized models.

(a) The nonprofit organization must continue to implement a countywide resource and referral linkage system for families of children who are prenatal through age five.

(b) The nonprofit organization must offer a voluntary brief

newborn home visiting program. The program must meet the diverse needs of Pierce county residents and, therefore, it must be flexible, culturally appropriate, and culturally responsive. The department, in collaboration with the nonprofit organization, must examine the feasibility of leveraging federal and other fund sources, including federal Title IV-E and medicaid funds, for home visiting provided through the pilot. The department must report its findings to the governor and appropriate legislative committees by September 1, 2022.

(9)(a) \$5,899,000 of the general fund—state appropriation for fiscal year 2022 and \$8,382,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the early childhood intervention prevention services (ECLIPSE) program. The department shall contract for ECLIPSE services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. The department shall pursue opportunities to leverage other funding to continue and expand ECLIPSE services. Priority for services shall be given to children referred from the department.

(b) Of the amounts provided in this subsection (9), \$1,246,000 of the general fund—state appropriation for fiscal year 2022 and \$3,719,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the expansion of ECLIPSE services, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). Funding provided for the expansion of services is intended to serve new geographic areas not currently served by ECLIPSE services. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection (9)(b) shall lapse.))

(10) The department shall place a ten percent administrative overhead cap on any contract entered into with the University of Washington. In a bi-annual report to the governor and the legislature, the department shall report the total amount of funds spent on the quality rating and improvements system and the total amount of funds spent on degree incentives, scholarships, and tuition reimbursements.

(11) \$1,728,000 of the general fund—state appropriation for fiscal year 2022 and \$1,728,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for reducing barriers for low-income providers to participate in the early achievers program.

(12) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(13) \$4,000,000 of the education legacy trust account—state appropriation is provided solely for early intervention assessment and services.

(14) The department shall work with state and local law enforcement, federally recognized tribal governments, and tribal law enforcement to develop a process for expediting fingerprinting and data collection necessary to conduct background checks for tribal early learning and child care providers.

(15) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 202, Laws of 2017 (children's mental health).

(16) Within existing resources, the department shall implement chapter 409, Laws of 2019 (early learning access).

(17)(a) \$7,355,000 of the general fund—state appropriation for fiscal year 2022, \$11,126,000 of the general fund—state appropriation for fiscal year 2023, \$11,032,000 of the general

fund—federal appropriation (CRRSA), and \$9,632,000 of the general fund—federal appropriation (ARPA) are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)) The legislature intends for the appropriations provided in this subsection to stabilize and support child care providers and early learning contractors and to expand families' access to affordable, quality child care and early learning during and after the COVID-19 public health emergency. Of the amounts provided in this subsection:

(i) \$2,535,000 of the general fund—state appropriation for fiscal year 2022, \$2,535,000 of the general fund—state appropriation for fiscal year 2023, and \$4,604,000 of the general fund—federal appropriation (CRRSA) are provided solely for the implementation of complex needs funds.

(ii) \$966,000 of the general fund—federal appropriation (CRRSA) and \$1,836,000 of the general fund—federal appropriation (ARPA) are provided solely for the implementation of trauma-informed care supports.

(iii) \$180,000 of the general fund—state appropriation for fiscal year 2022 and \$3,200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement dual language rate enhancements.

(iv) \$671,000 of the general fund—state appropriation for fiscal year 2022, \$656,000 of the general fund—state appropriation for fiscal year 2023, and \$3,982,000 of the general fund—federal appropriation (ARPA) are provided solely for the implementation of equity grants.

(v) \$773,000 of the general fund—state appropriation for fiscal year 2022, ((\$773,000)) \$958,000 of the general fund—state appropriation for fiscal year 2023, \$1,500,000 of the general fund—federal appropriation (CRRSA), and \$900,000 of the general fund—federal appropriation (ARPA) are provided solely for infant and early childhood mental health consultation.

(vi) \$365,000 of the general fund—federal appropriation (CRRSA) and \$495,000 of the general fund—federal appropriation (ARPA) are provided solely for the expansion of family, friend, and neighbor child care play and learn groups.

(vii) \$930,000 of the general fund—state appropriation for fiscal year 2022, \$1,075,000 of the general fund—state appropriation for fiscal year 2023, \$3,597,000 of the general fund—federal appropriation (CRRSA), and \$2,419,000 of the general fund—federal appropriation (ARPA) are provided solely for the implementation of trainings, early achievers scholarships, and other professional development activities. Amounts provided in this subsection may be used to contract with a nonprofit organization that provides relationship-based professional development support to family, friend, and neighbor, child care center, and licensed family care providers.

(viii) \$1,585,000 of the general fund—state appropriation for fiscal year 2022 and \$2,196,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to expand the birth-to-three early childhood education and assistance program.

(ix) \$421,000 of the general fund—state appropriation for fiscal year 2022 and \$408,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to collaborate with the department of commerce on technical assistance to employers interested in providing child care to employees.

(b) The state and the representative for family child care providers must enter into bargaining over the implementation of grants and rate increases included in this proviso, and apply those increases consistent with the terms of this proviso and the agreement reached between the parties.

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(18) \$265,000 of the general fund—state appropriation for fiscal year 2022 and \$265,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a statewide family resource and referral linkage system, with coordinated access point of resource navigators who will connect families with children prenatal through age five with services, programs, and community resources through a facilitated referral and linkage process.

(19)(a) \$414,000 of the general fund—federal appropriation (ARPA) is provided solely for the department to establish a pilot project to determine the feasibility of a child care license category for multi-site programs operating under one owner or one entity. The department shall adopt rules to implement the pilot project and may waive or adapt licensing requirements when necessary to allow for the operation of a new license category. Pilot participants must include, at least:

- (i) One governmental agency;
- (ii) One nonprofit organization; and
- (iii) One for-profit private business.

(b) New or existing license child care providers may participate in the pilot. When selecting and approving pilot project locations, the department shall aim to select a mix of rural, urban, and suburban locations. By July 1, 2024, the department shall submit to the relevant committees of the legislature recommendations on whether to permanently implement this license category and what, if any, changes are needed to law to accomplish this.

(20)(a) \$2,771,000 of the home visiting account—state appropriation for fiscal year 2022, \$5,299,000 of the home visiting account—state appropriation for fiscal year 2023, and \$3,000,000 of the general fund—federal appropriation (ARPA) are provided to expand home visiting services, enhance data collection, and support the local implementing agencies providing home visiting services. The department shall:

(i) Contract with local implementing agencies to expand home visiting services by October 1, 2021; and

(ii) Provide semiannual updates to the home visiting advisory committee established in RCW 43.216.130 that includes an updated number of families served in home visiting programs and a status of the home visiting services account balance.

(iii) The home visiting advisory committee established in RCW 43.216.130 shall make recommendations to the department and the legislature by June 1, 2022, containing strategies for supporting home visiting providers and serving additional families. Recommendations should include, but are not limited to, strategies in the 2019 report to the legislature *Opportunities and Considerations for Expanding Home Visiting Services in Washington State*, such as enhancing data system collections and reporting, professional development supports, and rate adjustments to reimburse for the true cost of service delivery.

(b) Of the amounts provided in (a) of this subsection, \$2,528,000 of the home visiting account—state appropriation for fiscal year 2023 and \$3,000,000 of the general fund—federal appropriation (ARPA) are provided for additional home visiting services in order to implement Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(21) The appropriations in this section are sufficient funding to implement section 29 of Substitute Senate Bill No. 5151 (foster care & child care).

(22)(a) \$390,600,000 of the general fund—federal appropriation (ARPA) and \$9,400,000 of the general fund—federal appropriation (CARES) are provided solely for the department to distribute grants to child care providers to stabilize the child care industry as part of the state's response to the

COVID-19 public health emergency. Child care providers are eligible for grants if they are eligible for child care development fund moneys or if they are licensed, regulated, or registered within the state. The funding provided in this subsection must be expended consistent with federal law. Of the amounts provided in this subsection:

(i) \$27,342,000 of the general fund—federal appropriation (ARPA) is provided solely for the department to administer the grant program, including but not limited to costs related to creating and administering the online grant application, providing technical assistance and support for applying for and accessing the grants, publicizing the availability of the grants, and processing applications on a rolling basis.

(ii) \$11,718,000 of the general fund—federal appropriation (ARPA) is provided solely for the department to contract with an organization to provide language access support to child care providers during the grant application process, including but not limited to translation services, community-based support related to the grant application process, and other grant application support.

(iii) \$351,540,000 of the general fund—federal appropriation (ARPA) and \$9,400,000 of the general fund—federal appropriation (CARES) are provided solely for child care stabilization grants to eligible child care providers as defined in section 2202 of the American rescue plan act of 2021 (ARPA). In applying for grants, child care providers are expected to meet the certification requirements defined in section 2202(d)(2)(D)(i) of ARPA. To the extent practicable, at least 10 percent of each grant awarded to an eligible child care provider must be used for compensation increases to employees working at a provider's facility. The department must make its best efforts to distribute 75 percent of the funding provided in this subsection by January 1, 2022, with the remaining 25 percent distributed by June 30, 2022. To the extent practicable, the department must prioritize: Providers in child care deserts; providers serving or located in marginalized, low-income communities or communities of color; and providers that help support racial equity across the state. In processing applications, to the extent practicable the department must also prioritize grant applications that include funding for the following purposes:

- (A) Rent or mortgage payments;
- (B) Copayment or tuition waivers for families receiving care, including refunds or credits to families who are not attending but are paying tuition in order to maintain a child's spot in the facility;
- (C) Child care for historically disadvantaged populations;
- (D) Child care during the summer months;
- (E) Child care during nonstandard hours;
- (F) Child care for school-age children;
- (G) Outreach to families who may have stopped attending due to cost;

(H) Mental health supports for children and employees;

(I) Broadband access for child care providers that care for school-age children; and

(J) Personnel costs, including compensation, benefits, health care premium pay, or paid leave.

(b) Nothing in this subsection changes the department's responsibility to collectively bargain over mandatory subjects consistent with RCW 41.56.028(3) or limits the legislature's authority to make programmatic modifications to licensed child care and early learning programs consistent with legislative reservation of rights under RCW 41.56.028(4)(d).

(23) \$500,000 of the general fund—federal appropriation (CARES) is provided solely for the department to hire two temporary language access coordinators with specialties in Spanish and Somali to address immediate language access needs

at the department related to COVID-19 child care relief and recovery in department programs, including but not limited to:

- (a) Translation of department materials;
- (b) Outreach to community organizations serving multilingual children and families regarding department programs;
- (c) Webinars and other technical assistance provided in Spanish and Somali for department programs; and
- (d) Other means of increasing language access and equity for early learning providers and caregivers in health and safety, licensing and regulations, and public funding opportunities for programs offered by the department.

(24) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$30,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to convene a work group that assesses and provides recommendations for creating new infrastructures and funding streams that support youth development. The work group must include representatives from community-based organizations providing youth development programs, including expanded learning, mentoring, school age child care, and wrap around supports and integrated student support. The department must report its findings and recommendations to the governor and legislature by September 1, 2022. The report must include the following recommendations:

- (a) Programmatic changes for breaking down silos and barriers for youth programming between state agencies;
- (b) The appropriate program within the department to develop meaningful youth-level, research-based prevention and promotion outcomes, and to support community-based organizations providing those outcomes;
- (c) The establishment of a state grant program to provide quality youth development opportunities for children and youth ages five through high school graduation; and
- (d) Strategies to increase access to youth development programs for prioritized populations such as children of color, foster children, children experiencing homelessness, and children involved in the justice system.

(25) ((\$27,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Second Substitute House Bill No. 1127 (COVID-19 health data privacy). If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(26))) \$5,548,000 of the general fund—federal appropriation (ARPA) is provided solely for allocations from federal funding as authorized in section 2014, the American rescue plan act of 2021, P.L. 117-2.

((27))) (26)(a) The department must provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license-exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(b) ECEAP early learning professionals must enter any new qualifications into the department's professional development registry starting in the 2015-16 school year, and every school year thereafter. By October 2017, and every October thereafter, the department must provide updated ECEAP early learning professional data to the education research data center.

(c) The department must request federally funded head start programs to voluntarily provide data to the department and the

education research data center that is equivalent to what is being provided for state-funded programs.

(d) The education research and data center must provide an updated report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data every March for the previous school year.

(e) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

((28))) (27) Funding in this section is sufficient for the department to collaborate with the department of commerce to jointly convene and facilitate a child care collaborative task force to continue the work of the task force created in chapter 368, Laws of 2019 (2SHB 1344) to establish a true cost of quality of child care. The task force shall report its findings and recommendations to the governor and the appropriate committees of the legislature by November 1, 2022.

((29))) (28) \$900,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to provide early childhood education and assistance program services during July and August of 2021 to address learning loss and to meet the unique educational and other needs of 468 children whose enrollment was interrupted or delayed due to the COVID-19 public health emergency.

(29) \$260,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to implement an infant and early childhood mental health consultation initiative to support tribal child care and early learning programs. Funding may be used to provide culturally congruent infant and early childhood mental health supports for tribal child care, tribal early childhood education and assistance program, and tribal head start providers. The department must consult with federally recognized tribes which may include round tables through the Indian policy early learning committee.

(30) \$640,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to help expand and support family, friend, or neighbor caregivers with a focus on the provision of play and learn groups. Funding provided in this subsection may be used for the department to:

(a) Fund consistent staffing across the state's six geographic regions to support the needs of family, friend, or neighbor caregivers;

(b) Contract with a statewide child care resource and referral program to sustain and expand the number of facilitated play groups to meet the needs of communities statewide;

(c) Support existing infrastructure for organizations that have developed the three existing play and learn program models so they have capacity to provide training, technical assistance, evaluation, data collection, and other support needed for implementation; and

(d) Provide direct implementation support to community-based organizations that offer play and learn groups.

(31) \$1,267,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to pay the application and fingerprint processing fees on behalf of child care providers to reduce the time involved to complete background checks.

(32) \$900,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington communities for children for costs to complete its work pursuant to a federal preschool development grant that expires at the end of calendar year 2022. Allowable costs are only those incurred from January 2023 through June 2023.

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Sec. 230. 2021 c 334 s 230 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES—PROGRAM SUPPORT

General Fund—State Appropriation	(FY 2022)	(((\$171,339,000))
		<u>\$192,655,000</u>
General Fund—State Appropriation	(FY 2023)	(((\$171,554,000))
		<u>\$207,977,000</u>
General Fund—Federal Appropriation		(((\$194,079,000))
		<u>\$190,601,000</u>
General Fund—Private/Local Appropriation		(((\$394,000))
		<u>\$459,000</u>
Education Legacy Trust Account—State Appropriation		\$180,000
Home Visiting Services Account—State Appropriation		(((\$458,000))
		<u>\$472,000</u>
Home Visiting Services Account—Federal Appropriation		\$380,000
TOTAL APPROPRIATION		(((\$538,384,000))
		<u>\$592,724,000</u>

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

(1) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a Washington state mentoring organization to continue its public-private partnerships providing technical assistance and training to mentoring programs that serve at-risk youth.

(2)(a) \$1,000 of the general fund—state appropriation for fiscal year 2022, \$1,000 of the general fund—state appropriation for fiscal year 2023, and \$2,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium, as provided in section 945 of this act.

(b) \$6,000 of the general fund—state appropriation for fiscal year 2023 and \$2,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for fiscal year 2023 as provided in section 938 of this act.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a full-time employee to coordinate policies and programs to support pregnant and parenting individuals receiving chemical dependency or substance use disorder treatment.

(4) \$505,000 of the general fund—state appropriation for fiscal year 2022 and \$505,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to collaborate with the office of the superintendent of public instruction to complete a report with options and recommendations for administrative efficiencies and long-term strategies that align and integrate high-quality early learning programs administered by both agencies and consistent with implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care dev. exp.). The report, due September 1, 2022, shall address capital needs, data collection and data sharing, licensing changes, quality standards, options for community-based and school-based settings with inclusive facilities and

operations, fiscal modeling, statutory changes needed to achieve administrative efficiencies, and all other requirements of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.).

(5) Within existing resources, the department shall submit a brief report to the governor and appropriate legislative committees by December 1, 2022, outlining options for creating a new dedicated account for adoption support that will meet 42 U.S.C. Sec. 473 requirements. The report shall include a methodology for calculating savings in a manner that can be incorporated into the adoption support forecast budget process, statutory needs, and expenditure guidelines for the account.

(6) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a statewide nonprofit with demonstrated capability of partnering with state agencies and community organizations to develop public-facing regionalized data dashboards and reports to support the goals of the department and the early learning advisory council, pursuant to Engrossed Second Substitute Senate Bill No. 5237 (child care & early learning dev. exp.).

(7) \$2,500,000 of the general fund—state appropriation for fiscal year 2022, \$2,500,000 of the general fund—state appropriation for fiscal year 2023, and \$5,000,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1227 (child abuse allegations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(8) \$20,000 of the general fund—state appropriation for fiscal year 2022 and \$20,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5118 (reentry). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$6,532,000 of the general fund—state appropriation for fiscal year 2022, \$7,385,000 of the general fund—state appropriation for fiscal year 2023, and \$6,083,000 of the general fund—federal appropriation (CRRSA) are provided solely for the department to migrate the social service payment system to a cloud-based payment system in order to implement child care stabilization grants, child care subsidy rate enhancements, and other payments intended to support child care providers during and after the COVID-19 public health emergency, to implement changes to the social service payment system necessary to implement these payments, and for other improvements necessary for the successful implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). The amounts in this section are subject to the conditions, limitations, and review provided in section 701 of this act.

(10) \$250,000 of the general fund—federal appropriation (CARES) is provided solely for the department to develop or contract to develop a language access plan that addresses equity and access for immigrant, multilingual providers, caregivers, and families. The plan must be submitted to the appropriate committees of the legislature by June 30, 2022. The plan must include, but is not limited to, the following:

(a) A needs assessment and staffing recommendation for program accessibility at the department for individuals with limited English and a geographic landscape analysis of language needs for providers, caregivers, and families in their interactions with the department;

(b) A review of successful language access policies and practices in public agencies to effectively address the needs of non-English speaking families, providers, and other stakeholders;

(c) An alignment of best practices across the department in

multilingual workforce development;

(d) A framework for proactive community engagement to provide child care providers, early learning providers, or families that speak languages other than English access to information and support in navigating English-dominant state resources at the department;

(e) Recommendations for a continuous improvement model of measuring progress and success in language access at the department; and

(f) Compliance with federal and state laws at the department.

(11) \$40,000 of the general fund—federal appropriation (CRRSA) is provided solely for the department to establish a process for informing, upon clearance of required background checks, employees of licensed family home, center-based, and outdoor nature-based childcares about available financial supports and options for accessing health coverage. On at least an annual basis, no less than 45 days before the start of open-enrollment, the department must share with the health benefits exchange (exchange) and designated navigator organizations, but no additional third-party entity, workforce data identifying licensed childcare employees for the sole purpose of outreach, enrollment, verification, and other program implementation activities identified by the exchange. The department must share with the exchange and designated navigator organizations, but no additional third-party entity, workforce data identifying newly licensed childcare employees on an ongoing basis as needed during the plan year for the sole purpose of outreach, enrollment, verification, and other program implementation activities identified by the exchange.

(12) \$1,494,000 of the general fund—federal appropriation is provided solely for the department to implement the family first prevention services act requirements, including technology enhancements to support the automated assessments, data quality, and reporting requirements. Funding provided in this subsection is subject to the conditions, limitations, and review provided in section 701 of this act.

(13) \$267,000 of the general fund—state appropriation for fiscal year 2022, \$717,000 of the general fund—state appropriation for fiscal year 2023, and \$223,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1219 (youth counsel/dependency). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(14) \$85,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1295 (institutional ed/release). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(15) \$848,000 of the general fund—state appropriation for fiscal year 2022, \$848,000 of the general fund—state appropriation for fiscal year 2023, and \$384,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1194 (parent-child visitation). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(16) \$1,292,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to expand its housing pilot to two additional sites. The housing pilot will serve hard-to-place foster youth who are at least 16 years old with housing and intensive case management.

(17) \$32,000 of the general fund—state appropriation for fiscal year 2022, \$64,000 of the general fund—state appropriation for fiscal year 2023, and \$24,000 of the general fund—federal appropriation are provided solely for the extraordinary litigation expenses of the attorney general's office related to the case of *D.S., et al. v. DCYF*, United States district court western district

of Washington case no. 2:21-cv-00111-BJR.

(18) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with a nonprofit organization to provide culturally relevant support services to children and families when a child is removed from their parents due to potential abuse or neglect as defined in RCW 26.44.020(1). The nonprofit organization must have experience providing culturally relevant support services to children and families through daycare, the early childhood education and assistance program, and department of social and health services contracted services.

(19) \$65,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1747 (child relative placements). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(20) \$341,000 of the general fund—state appropriation for fiscal year 2023 and \$85,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1905 (homelessness/youth discharge). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(21) \$26,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 2068 (imagination library). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(22) \$30,000 of the general fund—state appropriation for fiscal year 2022 and \$70,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department of children, youth, and families to partner with the department of commerce to codesign community-based family reconciliation services to assess and stabilize youth and families in crisis through primary prevention services. The codesign team shall include youth and families with lived experience, tribes, child welfare professionals, community-based providers, and representatives from state and local agencies, including the department of social and health services, the health care authority, the office of the superintendent of public instruction, the employment security department, and juvenile court administrators. The codesign team must develop a community-based family reconciliation services program model that addresses entry points to services, program eligibility, utilization of family assessments, provision of concrete economic supports, referrals to and utilization of in-home services, and the identification of trauma-informed and culturally responsive practices. Preliminary recommendations from the codesign team must be submitted to the governor and appropriate legislative committees no later than December 1, 2022, with the annual family reconciliation services data required under RCW 13.32A.045.

PART III NATURAL RESOURCES

Sec. 301. 2021 c 334 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION	
General Fund—State Appropriation (FY 2022)	\$752,000
General Fund—State Appropriation (FY 2023) (((\$820,000))	\$845,000
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation (((\$1,354,000))	\$1,374,000
TOTAL APPROPRIATION	(((\$2,958,000)) \$3,003,000

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

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(1) \$94,000 of the general fund—state appropriation for fiscal year 2022 and \$94,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a land use planner to provide land use planning services dedicated to Klickitat county. Because the activities of the land use planner are solely for the benefit of Washington state, Oregon is not required to provide matching funds for this activity.

(2) \$88,000 of the general fund—state appropriation for fiscal year 2022, \$125,000 of the general fund—state appropriation for fiscal year 2023, and \$213,000 of the general fund—private/local appropriation are provided solely for the access database replacement project, and is subject to the conditions, limitations, and review provided in section 701 of this act.

Sec. 302. 2021 c 334 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2022)	(((\$47,364,000))
	<u>\$44,944,000</u>
General Fund—State Appropriation (FY 2023)	(((\$39,868,000))
	<u>\$55,191,000</u>
General Fund—Federal Appropriation	(((\$98,760,000))
	<u>\$101,200,000</u>
General Fund—Private/Local Appropriation	(((\$26,999,000))
	<u>\$27,545,000</u>
Reclamation Account—State Appropriation	(((\$4,286,000))
	<u>\$4,438,000</u>
Flood Control Assistance Account—State Appropriation	(((\$4,066,000))
	<u>\$4,185,000</u>
Aquatic Lands Enhancement Account—State Appropriation	\$150,000
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction, Recycling, and Litter Control Account—State Appropriation	(((\$26,666,000))
	<u>\$31,117,000</u>
State Drought Preparedness <u>and Response</u> Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account—Water Supply Facilities—State Appropriation	\$186,000
Water Rights Tracking System Account—State Appropriation	\$48,000
Site Closure Account—State Appropriation	\$582,000
Wood Stove Education and Enforcement Account—State Appropriation	(((\$567,000))
	<u>\$580,000</u>
Worker and Community Right to Know Fund—State Appropriation	(((\$1,968,000))
	<u>\$2,043,000</u>
Water Rights Processing Account—State Appropriation	\$39,000
Water Quality Permit Account—State Appropriation	(((\$46,578,000))
	<u>\$49,813,000</u>
Underground Storage Tank Account—State Appropriation	(((\$3,876,000))
	<u>\$4,204,000</u>
Biosolids Permit Account—State Appropriation	(((\$2,594,000))
	<u>\$2,718,000</u>
Hazardous Waste Assistance Account—State Appropriation	(((\$7,389,000))
	<u>\$7,714,000</u>

Radioactive Mixed Waste Account—State Appropriation	(((\$22,281,000))
	<u>\$23,489,000</u>
Air Pollution Control Account—State Appropriation	(((\$4,135,000))
	<u>\$4,343,000</u>
Oil Spill Prevention Account—State Appropriation	(((\$6,446,000))
	<u>\$7,233,000</u>
Air Operating Permit Account—State Appropriation	(((\$4,786,000))
	<u>\$4,994,000</u>
Wastewater Treatment Plant Operator Certification Account—State Appropriation	\$552,000
Oil Spill Response Account—State Appropriation	\$7,076,000
Model Toxics Control Operating Account—State Appropriation	(((\$283,123,000))
	<u>\$290,424,000</u>
Model Toxics Control Operating Account—Local Appropriation	\$499,000
<u>Model Toxics Control Stormwater Account—State Appropriation</u>	<u>\$8,500,000</u>
Voluntary Cleanup Account—State Appropriation	\$344,000
Paint Product Stewardship Account—State Appropriation	\$140,000
Dedicated Marijuana Account—State Appropriation (FY 2022)	(((\$270,000))
	<u>\$284,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2023)	(((\$276,000))
	<u>\$290,000</u>
Water Pollution Control Revolving Administration Account—State Appropriation	(((\$4,566,000))
	<u>\$5,462,000</u>
Clean Fuels Program Account—State Appropriation	\$382,000
Climate Investment Account—State Appropriation	(((\$5,139,000))
	<u>\$7,138,000</u>
TOTAL APPROPRIATION	(((\$652,245,000))
	<u>\$698,091,000</u>

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

(1) ((\$910,000 of the model toxics control operating account—state appropriation is)) \$455,000 of the general fund—state appropriation for fiscal year 2022 and \$455,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to grant to the northwest straits commission to distribute equally among the seven Puget Sound marine resource committees.

(2) \$2,024,000 of the model toxics control operating account—state appropriation is provided solely for additional staff to process an increased workload of clean water act certification requests and to process all United States army corps of engineers permitted projects in Washington within the sixty-day processing requirement, should it be implemented.

(3) Within the amounts appropriated in this section, the department must adopt rules to implement the provisions of RCW 88.40.025.

(4) \$739,000 of the general fund—state appropriation for fiscal year 2022 and \$363,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1050 (fluorinated gases). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$2,277,000 of the general fund—state appropriation for

fiscal year 2022, \$897,000 of the general fund—state appropriation for fiscal year 2023, and \$382,000 of the clean fuels program account—state appropriation are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1091 (transportation fuel/carbon). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(6) \$262,000 of the model toxics control operating account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1382 (salmon recovery projects). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(7) \$170,000 of the oil spill prevention account—state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(8) ((\$204,000 of the model toxics control operating account—state appropriation is)) \$102,000 of the general fund—state appropriation for fiscal year 2022 and \$102,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Executive Order No. 12-07, Washington's response to ocean acidification.

(9) \$14,000,000 of the model toxics control operating account—state appropriation is provided solely for the department to provide grants to local governments for the purpose of supporting local solid waste and financial assistance programs.

(10) \$150,000 of the aquatic lands enhancement account—state appropriation is provided solely for implementation of the state marine management plan and ongoing costs of the Washington coastal marine advisory council to serve as a forum and provide recommendations on coastal management issues.

(11) \$588,000 of the general fund—state appropriation for fiscal year 2022 and \$662,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to address outstanding water rights issues. Of the amounts provided in this subsection:

(a) \$463,000 of the general fund—state appropriation for fiscal year 2022 and \$537,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for preparation and filing of adjudications of state water rights in the Nooksack (water resource inventory area 1) and lake Roosevelt and middle tributaries (water resource inventory area 58) watersheds. The department will not file an adjudication in water resource inventory area 1 prior to June 1, 2023; and

(b) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Whatcom county to support a collaborative process among local water users and water right holders that can complement water rights adjudication in the Nooksack (water resources inventory area 1) watershed. Funding is provided for facilitation and mediation among parties, development of planning and technical information, and assessment of local solutions. At a minimum, the collaborative process must seek to provide opportunities for discussion of increasing salmon populations and preserving farmland.

(12) ((\$242,000)) \$178,000 of the model toxics control operating account—state appropriation is provided solely for an equipment cache grant for the Jamestown S'klallam Tribe for a new response vehicle.

(13) \$398,000 of the model toxics control operating account—state appropriation is provided solely for consumer product testing data validation services to support increases to the agency's product testing program.

(14) \$2,305,000 of the model toxics control operating account—state appropriation is provided solely to increase the

department's capacity to test for toxics in children's products and other general consumer goods, to implement needed policy changes resulting from product testing, to communicate results to the public, and to conduct a feasibility study to add an inorganics component to the plan for new laboratory space at the department's headquarters building in Lacey, Washington.

(15) \$497,000 of the general fund—state appropriation for fiscal year 2022 and \$497,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to provide grants to conservation organizations and certain tribes for the purpose of coordination, monitoring, and research related to Puget Sound kelp conservation and recovery. Of the amounts provided in this subsection the department shall distribute grants as follows: \$175,000 each fiscal year to the Northwest Straits commission; \$72,000 each fiscal year to the Lower Elwha Klallam Tribe; \$100,000 each fiscal year to the Samish Indian Nation; and \$150,000 each fiscal year to the Puget Sound Restoration Fund.

(16) \$2,000,000 of the model toxics control operating account—state appropriation is provided solely for the Spokane river regional toxics task force to address elevated levels of polychlorinated biphenyls in the Spokane river.

(17) ((\$150,000)) \$30,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$120,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to grant to Clark county for the purpose of designing the process for developing a long-term plan to restore and maintain the health of Vancouver lake, a category 5 303(d) status impaired body of water, as well as designing an institutional structure to take responsibility for the plan's implementation in a financially sustainable manner. The plan will build on existing work completed by the county, state agencies, and nonprofit organizations. The department will support the work of the county to include involvement by property owners around the lake and within the watersheds that drain to the lake, the department of natural resources, the department of fish and wildlife, other state agencies and local governments with proprietary or regulatory jurisdiction, tribes, and nonprofit organizations advocating for the lake's health. The design should address timelines for plan development, roles and responsibilities of governmental and nonprofit entities, potential funding sources and options for plan implementation, including formation of a potential lake management district under chapter 36.61 RCW, and the management objectives to be included in the plan.

(18) \$80,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to work with the Guemes island planning advisory committee to follow on to a United States geologic survey study of the island's aquifer recharge areas, quantify an updated water budget, and provide an accurate water-level analysis and water-table map of the two aquifers on the island.

(19) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to support the Pierce county health department and the friends of Spanaway lake to treat and clean up elevated phosphorus and algae levels in Spanaway lake.

(20) \$92,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to San Juan county for a study to build on the existing knowledge of the islands' water resources to gain a current understanding of the state of groundwater in the county, including hydrologic data evaluation, completing recharge estimates, and updating the water balance.

(21) \$146,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to work with landowners, state agencies, and others to analyze the water

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quality of Deep lake.

(22) \$195,000 of the model toxics control operating account—state appropriation is provided solely for the department to carry out an assessment of potential hazards of 6PPD (CAS 793-24-8) and other chemicals or chemical classes and breakdown products used as anti-oxidants and/or antiozonants in tires and submit a technical memo to the appropriate committees of the legislature by December 1, 2021.

(23) \$523,000 of the model toxics control operating account—state appropriation is provided solely for the department to work with the department of transportation, University of Washington-Tacoma, and Washington State University-Puyallup to identify priority areas affected by 6PPD or other related chemicals toxic to aquatic life from roads and transportation infrastructure and on best management practices for reducing toxicity. This includes developing a standard method for the laboratory measurement of 6PPD-quinone and related chemicals. The department will submit a report to the appropriate committees of the legislature by November 1, 2022.

(24) \$1,090,000 of the general fund—state appropriation for fiscal year 2022 and \$1,090,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to create a database, monitoring program, and laboratory assessment method regarding polychlorinated biphenyls (PCB). ((Within)) Of the amount provided in this subsection, \$440,000 is provided to enhance the environmental information management database; \$1,200,000 is provided to create a long-term statewide PCB monitoring program; and \$540,000 is provided for developing a PCB specific laboratory method for conducting analysis. The department must coordinate with the department of fish and wildlife on the implementation of this subsection and for recommending PCB clean-up projects for legislative funding in subsequent appropriations.

(25) \$847,000 of the model toxics control operating account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5022 (recycling, waste, & litter). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(26) ((\$11,716,000)) \$11,068,000 of the general fund—state appropriation for fiscal year 2022, ((\$6,284,000)) \$7,788,000 of the general fund—state appropriation for fiscal year 2023, and ((\$5,139,000)) \$6,589,000 of the climate investment account—state appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5126 (climate commitment act). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(27) \$95,000 of the general fund—state appropriation for fiscal year 2022, \$105,000 of the general fund—state appropriation for fiscal year 2023, \$61,000 of the waste reduction, recycling, and litter control account—state appropriation, \$231,000 of the water quality permit account—state appropriation, \$31,000 of the hazardous waste assistance account—state appropriation, \$31,000 of the oil spill prevention account—state appropriation, and \$983,000 of the model toxics control operating account—state appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5141 (environmental justice task force recommendations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(28) \$43,000 of the model toxics control operating account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5381 (fish passage project permits). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(29) \$52,000 of the general fund—state appropriation for fiscal

year 2022, \$52,000 of the general fund—state appropriation for fiscal year 2023, \$8,000 of the reclamation account—state appropriation, \$8,000 of the flood control assistant account—state appropriation, \$32,000 of the waste reduction, recycling, and litter control account—state appropriation, \$4,000 of the worker and community right-to-know account—state appropriation, \$120,000 of the water quality permit account—state appropriation, \$10,000 of the underground storage tank account—state appropriation, \$6,000 of the bio solids permit account—state appropriation, \$18,000 of the hazardous waste assistance account—state appropriation, \$52,000 of the radioactive mixed waste account—state appropriation, \$10,000 of the air pollution control account—state appropriation, \$20,000 of the oil spill prevention account—state appropriation, \$12,000 of the air operating permit account—state appropriation, \$514,000 of the model toxics control operating account—state appropriation, and \$80,000 of the water pollution control revolving administration account—state appropriation are provided solely for the department to maintain and license the new eHub system. Funding is subject to the conditions, limitations, and review requirements of section 701 of this act.

(30) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to enter into a contract with a qualified third party to develop standards that provide a framework for assessing the quality of volume, validity, and durability of potential future carbon dioxide removal projects. The resulting product should be adequate to allow in-state entities to analyze proposed carbon removal project for conformity with state carbon reduction laws, rules, and goals. The selected vendor should build upon previously completed analyses by the state of Washington and the federal government.

(31) \$40,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to:

(a) Develop recommendations and implement actions under existing authority to modify the process for the review of water banks to ensure that key information is made available to the public. The changes should consider requirements such as:

(i) A description of a proposed banking and operations plan, including the needs and customers the bank intends to serve, the geographic area to be served, the portfolio of available mitigating rights and their allowed uses, any anticipated change in use of available mitigating rights, any limitations the bank intends to impose in offering water rights for use, and anything else the department deems necessary to promote transparency and the public interest;

(ii) Reporting requirements that include any changes in the intended customers or needs being serviced by the bank, any change in the geographic area to be served, any anticipated change in the use of available mitigating rights, any change in limitation the banks intends to impose in offering water right for use, and any other change the department deems necessary to promote transparency and the public interest; and

(iii) Reporting requirements for publishing each change and providing notice to pertinent parties and soliciting public comment.

(b) The department must build off its work directed under chapter 357, Laws of 2020 to refine recommendations on improving the state's framework for water banking, water trust, and water right transfers. Recommendations should address issues of private investment in water banking and the merits of incentives and regulations pertaining to the out-of-basin transfer of water rights. In refining its recommendations, the department shall consult with tribes and consider input from stakeholders

with expertise in water banking.

(c) By December 31, 2021, the department shall update the appropriate committees of the legislature on its progress on refining policy recommendations under this section, including any recommended statutory changes, and on the status of the pilot grant program established under subsection (32) of this section.

(d) By December 1, 2022, the department shall submit a report to the appropriate committees of the legislature on work conducted pursuant to this section and on the pilot grant program established under this section. The report should include but is not limited to a summary of water banking activity funded including success and challenges, a summary of outcomes of the pilot grant program, a summary of actions taken under current authority, and policy recommendations. The policy recommendations may also come in the form of agency request legislation.

(32) ((\$4,500,000 of the general fund—state appropriation for fiscal year 2022 and \$4,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to administer the pilot grant program for water banking strategies to meet water needs as described in this section. Within available appropriations, grants must be awarded to qualified applicants according to (c) of this subsection. Grant awards must be limited to not more than \$2,000,000 per applicant.

(a) Grant awards may only be used for:

(i) Development of water banks in rural counties as defined in RCW 82.14.370(5) that have the headwaters of a major watershed within their borders and only for water banking strategies within the county of origin. A major watershed has the same meaning as shoreline of the state in RCW 90.58.030(2)(f)(v) (A) and (B);

(ii) Acquisition of water rights appropriate for use in a water bank including all costs necessary to evaluate the water right for eligibility for its intended use; and

(iii) Activities necessary to facilitate the creation of a water bank.

(b) For the purposes of a grant pursuant to this section, a water bank must meet water needs, which include but are not limited to agricultural use and instream flow for fish and wildlife. The water bank must preserve water rights for use in the county of origin and for permanent instream flows for fish and wildlife through the primary and secondary reaches of the water right.

(c) To be qualified for these funds, an applicant must also show:

(i) That the applicant has sufficient expertise and capacity to develop and maintain a water bank consistent with the purposes of this appropriation;

(ii) That the applicant has secured a valid interest to purchase a water right;

(iii) That the water rights appear to be adequate for the intended use;

(iv) That the applicant agrees to have one-third of any water right purchased with the funds appropriated under this section to have its purpose of use changed permanently to instream flow benefiting fish and wildlife; and

(v) That the applicant is a public entity or a participant in a public/private partnership with a public entity.

(33)) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to:

(a) Establish and administer a pilot grant program for implementing water banking strategies to meet local water needs;

(b) Review water banking grant applications submitted under this section, including evaluation of water right suitability; and

(c) Develop and finalize water banking agreements, trust water right agreements, and other necessary legal instruments with entities selected to receive grants under this section.

~~((34))~~ (33) \$30,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to designate a regional clean air agency to convene a stakeholder group to assess and develop recommendations for reducing and mitigating air quality impacts in the form of noxious odors resulting from asphalt plants in the Puget Sound region. The stakeholder group should include representatives from the asphalt industry, cities within a county in the region in which an asphalt plant is located, the Puget Sound clean air agency, local and state health departments, research institutions, and a community or environmental organization representative with expertise in air pollution, toxicology, or other relevant fields. The recommendations must address steps needed for asphalt production facilities to develop odor control plans and best management practices to reduce noxious odors that negatively impact neighboring residents, businesses and persons utilizing publicly owned recreational facilities. A report containing recommendations must be submitted to the appropriate committees of the legislature by December 1, 2021.

(34) \$233,000 of the model toxics control operating account—state appropriation and \$100,000 of the oil spill prevention account—state appropriation are provided solely for additional staff to develop and implement new area contingency plans related to spill response in Washington state.

(35) \$1,642,000 of the model toxics control operating account—state appropriation and \$115,000 of the underground storage tank account—state appropriation are provided solely for additional staff to meet environmental protection agency underground storage tank site inspection requirements and oversee the cleanup of known contaminated leaking underground storage tank sites in Washington.

(36) \$1,800,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for implementation of the food waste reduction act of 2019, chapter 255 Laws of 2019, through a series of food waste reduction campaigns, in addition to continuing to invest in litter prevention campaigns to address the state's ongoing litter problem.

(37) \$1,382,000 of the model toxics control operating account—state appropriation is provided solely to develop methods and analyze 6PPD compounds in water and sediment, establish baseline monitoring data, and fund projects to identify best management practices and treatment devices that remove 6PPD from stormwater.

(38) \$1,322,000 of the model toxics control operating account—state appropriation is provided solely for the department to complete a full safer alternatives assessment of the 6PPD compounds used in tires. The assessment shall incorporate and evaluate toxicity data of alternatives on Coho and other species. Of the amounts provided in this subsection, \$246,000 of the model toxics control operating account—state appropriation is provided to support materials science expertise and collection of industry data necessary to evaluate feasibility of alternatives. The department shall provide a completed assessment to the governor's office, office of financial management, and the appropriate committees of the legislature, and, if the department finds safer alternatives exist, include recommended regulatory, policy, or legislative actions to advance safer alternatives.

(39) \$4,000,000 of the model toxics control stormwater account—state appropriation is provided solely for grants to local stormwater municipalities for expanding capacity to address stormwater management needs and meeting new municipal stormwater permit requirements, including stormwater management action planning to ensure that capital stormwater retrofit projects and other local stormwater management actions are prioritized, planned, and scheduled for construction or implementation.

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(40) \$1,378,000 of the general fund—state appropriation for fiscal year 2023 and \$549,000 of the climate investment account—state appropriation is provided solely for the department to increase air quality monitoring in overburdened communities as directed under RCW 70A.65.020(1).

(41) \$557,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for coordinating regulatory efforts to address temperature and other water quality issues associated with dams on the Columbia and Snake rivers, and for additional staff to assist with hydropower relicensing and license implementation.

(42) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to update the department's database of shoreline aerial photos to assist state agencies, local governments, and tribes in managing marine and freshwater shorelines throughout the state.

(43) \$164,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to develop standardized channel migration zone mapping methodology and to offer support for tribes, counties, and local jurisdictions to refine existing channel migration zone maps with local information.

(44) \$901,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to identify the technologies, methodologies, datasets, and resources needed to refine and maintain the accuracy of the national hydrography dataset for Washington in order to better monitor the health of riparian buffers.

(45) \$750,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for flood prevention in the Nooksack basin. Of this amount:

(a) \$500,000 is provided solely to grant to Whatcom county to:

(i) Integrate Nooksack basin (WRIA 1) floodplain projects with mutually beneficial water resource and riparian habitat management actions that address climate change and extreme weather events; and

(ii) Support Whatcom county's floodplain integrated planning (FLIP) team planning, technical review, local solutions, and projects development.

(b) \$250,000 is provided solely for the department to lead facilitation and technical support for the Nooksack river international task force, which is a long-standing cross-border task force focused on developing and evaluating alternatives for managing flooding from the Nooksack river in Whatcom county and British Columbia.

(46) \$350,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to recommend one or more draft structures for nutrient credit trading that could be used to efficiently and quickly achieve nutrient discharge reductions for point source dischargers covered under the Puget Sound nutrient general permit. By June 30, 2023, the department must submit a report to the appropriate committees of the legislature consistent with RCW 43.01.036 that summarizes the draft structure or structures and describes a tribal consultation and a stakeholder engagement process to solicit feedback on the draft structure or structures and any necessary statutory changes and funding.

(47) \$287,000 of the oil spill prevention account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1691 (oil spills/financial resp.). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(48) \$355,000 of the model toxics control operating account—state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1694 (chemicals/consumer products). If the bill is not enacted by June 30, 2022, the amount

provided in this subsection shall lapse.

(49) \$449,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1663 (landfill methane emissions). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(50) \$1,603,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1799 (organic materials management). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(51) \$4,232,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to federally recognized tribes for consultation on spending decisions from accounts created in the climate commitment act, chapter 316, Laws of 2021 (E2SSB 5126), as described in Engrossed Substitute House Bill No. 1753 (climate funding/tribes).

(52) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a hydrologic analysis of the causes of flooding on and around Sprague Lake, including stream flows between Sprague Lake and Cow Creek during high water events. The department may contract with a third party to complete the analysis, and the department must collaborate with the department of fish and wildlife in overseeing the analysis. The department must report the results of the analysis to the appropriate committees of the legislature by June 30, 2023.

(53) \$90,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to grant to the Spirit Lake-Toutle/Cowlitz river collaborative for flood risk reduction, ecosystem recovery, scientific research, and other activities related to sediment management and flooding in the Spirit Lake-Toutle/Cowlitz river system.

(54) \$2,000,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the department to conduct litter control on state highways.

(55) \$146,000 of the general fund—state appropriation for fiscal year 2023 and \$15,000 of the model toxics control operating account—state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5974 (transportation resources). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(56) \$266,000 of the model toxics control operating account—state appropriation is provided solely for the department, in consultation with the department of health and community and social justice organizations, to identify cosmetic products marketed to or used by people of color, including adults and children, and test those products for potentially harmful chemicals or chemical classes. The department must provide a technical report on the results of the tests to the appropriate committees of the legislature by December 31, 2022.

(57) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide grants to the city of Tumwater and a nonprofit organization to study the Deschutes river floodplain.

(58) \$32,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the implementation of Substitute Senate Bill No. 5910 (hydrogen). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(59)(a) \$150,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the department to conduct or contract for a study to:

(i) Assess the amount and types of consumer packaging and paper products sold or supplied into the state and the recycling rates achieved for these materials through existing recycling programs and activities in the state. Recycling rate estimates must

account for and exclude contamination, and must be presented by material category, including, at minimum, for paper, plastic, aluminum, steel, and glass, as well as for beverage containers, and by other factors as appropriate; and

(ii) In accordance with the recommendations for managing plastic packaging waste submitted to the Washington state legislature in 2020, consider and make recommendations on legislative action to address the items included in the list of problematic and unnecessary materials identified for elimination by the United States plastic pact.

(b) The study must be submitted to the appropriate committees of the legislature by December 1, 2022.

(60) \$40,000 of the model toxics control operating account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5818 (housing/SEPA & GMA). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 303. 2021 c 334 s 303 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

General Fund—Federal Appropriation	((638,000))
	<u>\$754,000</u>
Pollution Liability Insurance Agency Underground Storage Tank Revolving Account—State Appropriation	\$957,000
Pollution Liability Insurance Program Trust Account—State Appropriation	((1,392,000))
	<u>\$1,427,000</u>
TOTAL APPROPRIATION	((2,987,000))
	<u>\$3,138,000</u>

Sec. 304. 2021 c 334 s 304 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund—State Appropriation (FY 2022)	((29,059,000))
	<u>\$29,496,000</u>
General Fund—State Appropriation (FY 2023)	((29,036,000))
	<u>\$33,312,000</u>
General Fund—Federal Appropriation	((7,058,000))
	<u>\$7,154,000</u>
Winter Recreation Program Account—State Appropriation	((3,303,000))
	<u>\$4,906,000</u>
<u>Millersylvania Park Current Account—State Appropriation</u>	<u>\$5,000</u>
ORV and Nonhighway Vehicle Account—State Appropriation	((369,000))
	<u>\$387,000</u>
Snowmobile Account—State Appropriation	((5,645,000))
	<u>\$5,682,000</u>
Aquatic Lands Enhancement Account—State Appropriation	\$367,000
Parks Renewal and Stewardship Account—State Appropriation	((125,451,000))
	<u>\$142,302,000</u>
Parks Renewal and Stewardship Account—Private/Local Appropriation	\$420,000
TOTAL APPROPRIATION	((200,708,000))
	<u>\$224,031,000</u>

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

(1) \$129,000 of the general fund—state appropriation for fiscal year 2022 and \$129,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant for the

operation of the Northwest weather and avalanche center.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to pay assessments charged by local improvement districts.

(3) \$406,000 of the general fund—state appropriation for fiscal year 2022, \$322,000 of the general fund—state appropriation for fiscal year 2023, and \$88,000 of the parks renewal and stewardship account—state appropriation are provided solely for operating budget impacts from capital budget projects funded in the 2019-2021 fiscal biennium.

(4) ((272,000)) \$80,000 of the general fund—state appropriation for fiscal year 2022 and ((272,000)) \$464,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for an update to the Seashore conservation area survey and plan.

(5) \$130,000 of the general fund—state appropriation for fiscal year 2022 and \$130,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to hire a diversity, equity, and inclusion coordinator to expand the diversity of the agency's workforce.

(6) \$85,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the facilitation of a work group that includes representation from the state parks and recreation commission, the commission on African American affairs, and stakeholders with expertise of the black experience in outdoor recreation to identify barriers to inclusion and develop recommendations to increase participation of Black Washingtonians in the state parks system and other outdoor recreation spaces and public parks. The work group will be selected by the governor's office and will consist of at least twelve participants representing diverse geographic, socioeconomic, and experiential backgrounds. The parks commission will enter into an interagency agreement with the commission on African American affairs to procure a contractor to facilitate the work group and develop a report with recommendations. The amount provided in this subsection may also be used for a survey or focus group to assess the needs of Black Washingtonians related to state parks and outdoor recreation. The work group will submit a report to the governor's office and appropriate committees of the legislature no later than ((January)) April 1, 2022.

(7) \$7,900,000 of the general fund—state appropriation for fiscal year 2022 and \$7,900,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to increase customer service, conduct more custodial maintenance, expand interpretive services, accelerate work on preventative maintenance and improve the conditions of park facilities, and expand public safety.

(8) \$90,000 of the general fund—state appropriation for fiscal year 2022 and \$6,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5259 (law enforcement data). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$76,000 of the general fund—state appropriation for fiscal year 2022 and \$757,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to address needs identified in the "2017 vulnerability assessment" conducted by the climate impacts group.

(10) \$114,000 of the general fund—state appropriation for fiscal year 2022 and \$705,000 of the general fund—state appropriation for 2023 are provided solely for the commission to dedicate resources to government-to-government consultations with Indian tribes and implement executive order 21-02, archaeological and cultural resources.

(11)(a) \$160,000 of the general fund—state appropriation for

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fiscal year 2023 is provided solely for a contract with a statewide trail maintenance and hiking nonprofit organization to provide the emerging leaders program: expanding equity in the outdoors. The goal of the program is expanding both the number and diversity of trained, qualified individuals available for employment in the outdoor recreation and natural resource management sectors.

(b) The program must demonstrate a commitment to diversity, equity, and inclusion by providing a safe and supportive environment for individuals of diverse backgrounds, including those who have been historically underrepresented in the outdoor recreation and natural resource sectors, such as indigenous people and people of color.

(c) The program must provide both technical outdoor skills training and professional development opportunities that include, but are not limited to, outdoor leadership, representation in the outdoors, and team building.

(12) \$1,250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to address the maintenance backlog associated with providing recreation on lands managed by the commission. Allowable uses include, but are not limited to, general maintenance of facilities and grounds, equipment, and construction materials, and maintenance of trails and trailheads, restrooms, campgrounds, picnic sites, water access areas, signs, kiosks, and access roads. The commission is encouraged to partner with nonprofit organizations in the maintenance of public lands.

(13) \$5,500,000 of the parks renewal and stewardship account—state appropriation is provided solely for the commission to replace major equipment that has been used for over 15 years. The commission must prioritize selecting electric motors over gasoline engines when the option is available and the machinery is compatible for the intended task.

Sec. 305. 2021 c 334 s 305 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION OFFICE

General Fund—State Appropriation (FY 2022)	(\$4,119,000)
	<u>\$4,273,000</u>
General Fund—State Appropriation (FY 2023)	(\$3,655,000)
	<u>\$29,175,000</u>
General Fund—Federal Appropriation	(\$3,716,000)
	<u>\$4,329,000</u>
General Fund—Private/Local Appropriation	\$24,000
Aquatic Lands Enhancement Account—State Appropriation	(\$320,000)
	<u>\$385,000</u>
Firearms Range Account—State Appropriation	\$37,000
Recreation Resources Account—State Appropriation	(\$3,999,000)
	<u>\$4,355,000</u>
NOVA Program Account—State Appropriation	(\$1,444,000)
	<u>\$1,486,000</u>
Youth Athletic Facility Nonappropriated Account—State Appropriation	\$181,000
Salmon Recovery Account—State Appropriation	\$75,000,000
TOTAL APPROPRIATION	(\$17,495,000)
	<u>\$119,245,000</u>

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

(1) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to pass through to the Spokane tribe of Indians for a pilot study of salmon migratory behavior and survival upstream of the Chief Joseph and Grand Coulee dams.

(2)(a) \$375,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to conduct a comprehensive equity review of state grant programs administered by the office. The office may, in consultation with the interested parties identified in (d) of this subsection, contract with a consultant to assist with the community engagement and review necessary to complete this review process.

(b) The purposes of this comprehensive equity review are:

(i) To reduce barriers to historically underserved populations' participation in recreation and conservation office grant programs;

(ii) To redress inequities in existing recreation and conservation office policies and programs; and

(iii) To improve the equitable delivery of resources and benefits in these programs.

(c) In completing the comprehensive equity review required under this section, the office shall:

(i) Identify changes to policy and operational norms and practices in furtherance of the equity review purposes identified in (b) of this subsection;

(ii) Identify new investments and programs that prioritize populations and communities that have been historically underserved by conservation and recreation policies and programs; and

(iii) Include consideration of historic and systemic barriers that may arise due to any of the following factors: Race, ethnicity, religion, income, geography, disability, and educational attainment.

(d) The office must collaborate with: (i) The Washington state commission on African American affairs; (ii) the Washington state commission on Asian Pacific American affairs; (iii) the Washington state commission on Hispanic affairs; (iv) the governor's office of Indian affairs; (v) the governor's committee on disability issues and employment; (vi) the office of equity; (vii) the office of minority and women's business enterprises; (viii) the environmental justice council if established by passage of Engrossed Second Substitute Senate Bill No. 5141; and (ix) other interested parties as appropriate to develop and conduct a community engagement process to inform the review.

(e) The office must complete the comprehensive equity review under this section and submit a final report, containing all of the elements and considerations specified in this section, to the legislature by June 30, 2022.

(3) \$76,000 of the general fund—state appropriation for fiscal year 2022 and \$76,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1382 (salmon recovery projects). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(4) \$200,000 of the general fund—federal appropriation, \$12,000 of the general fund—private/local appropriation, and (((\$112,000)) \$116,000 of the aquatic lands enhancement account—state appropriation are provided solely for the implementation of Senate Bill No. 5063 (invasive species council expiration). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$37,000 of the firearms range account—state appropriation is provided solely to the recreation and conservation funding board for administration of the firearms range grant program as described in RCW 79A.25.210.

(6) (((\$3,999,000)) \$4,355,000 of the recreation resources account—state appropriation is provided solely to the recreation and conservation funding board for administrative and coordinating costs of the recreation and conservation office and the board as described in RCW 79A.25.080(1).

(7) ((\$1,444,000)) \$1,486,000 of the NOVA program account—state appropriation is provided solely to the recreation and conservation funding board for administration of the nonhighway and off-road vehicle activities program as described in chapter 46.09 RCW.

(8) \$1,809,000 of the general fund—state appropriation for fiscal year 2022 and \$1,809,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a grant to a nonprofit organization with a mission for salmon and steelhead restoration to install near-term solutions to prevent steelhead mortality at the Hood Canal bridge.

(9) \$140,000 of the general fund—state appropriation for fiscal year 2022 and \$140,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the governor's salmon recovery office to coordinate ongoing recovery efforts of southern resident orcas and monitor progress toward implementation of recommendations from the governor's southern resident killer whale task force.

(10) \$175,000 of the youth athletic facility nonappropriated account—state appropriation is provided solely for a task force to consider ways to improve equitable access to K-12 schools' fields and athletic facilities and local parks agency facilities with the goal of increasing physical activity for youth and families. The task force shall be created and managed by the recreation and conservation office. A portion of the funds must be used to inventory K-12 school fields and athletic facilities and park agency facilities, and for joint use agreements for these facilities. The task force participants must represent geographic diversity and must include representatives from the office of the superintendent of public instruction, the Washington association of school administrators, the association of Washington principals, and the Washington recreation and parks association; participants with a background in public health; and stakeholders who represent diverse communities and communities of color. The task force shall consider joint use agreements, partnerships, improved scheduling practices with local parks agencies including facility rental fees, and other strategies, and submit a report with best practices and policy recommendations to the recreation and conservation funding board. A final report from the board must be submitted to the governor's office and legislature no later than February 1, 2022.

(11) \$209,000 of the general fund—state appropriation for fiscal year 2022 and \$209,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to contract for implementation of the Nisqually watershed stewardship plan.

(12) \$30,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office to facilitate the transfer of management authority over the project known as the beach lake conservation area from the current owner to a tribal government or local public government entity. If the current owner does not accept the offer to transfer management authority, then the office must pursue all legal means to enforce the right of public access consistent with the deed restrictions as set forth in the contract PSAR #15-1045. The amount provided in this subsection is intended to secure daily public access, during daylight hours, with minimal closures to the beach lake conservation area.

(13) \$345,000 of the general fund—state appropriation for fiscal year 2022 and \$345,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the connections program to provide outdoor learning experiences and virtual learning support for vulnerable youth in the Blaine and Mount Baker school districts. Of the amounts provided in this subsection, \$25,000 in each fiscal year is provided solely for an organization in Whatcom county that increases access to environmental education.

(14) \$139,000 of the general fund—state appropriation for

fiscal year 2023 is provided solely for the governor's salmon recovery office to implement the governor's salmon recovery strategy update by convening the natural resources sub-cabinet on a regular basis and developing biennial statewide work priorities with a recommended budget for salmon recovery pursuant to RCW 77.85.030(4)(e) that align with tribal priorities and regional salmon recovery plans. The office shall submit the biennial implementation plan to the governor's office and the office of financial management no later than October 31, 2022.

(15) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the governor's salmon recovery office to provide a grant to the Spokane Tribe of Indians for purposes of forming a Spokane river watershed lead entity pursuant to RCW 77.85.050(1) and developing a habitat restoration strategy to support reintroduction of salmon upstream of Chief Joseph and Grand Coulee dams.

(16) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for motorized and nonmotorized boater education and outreach on Lake Union, with a specific goal of preventing boat and airplane conflicts on the lake during peak recreation season, given the provisions of United States coast guard navigation rules that seaplanes must in general keep well clear of other vessels. The office may grant funding to local or federal government agencies or nonprofit organizations. The office must publish a publicly available summary report by June 30, 2023, on funding recipients, uses of the funding, and the successes and failures of programs funded. Funding provided in this subsection may not be used to preclude or restrict public use of Lake Union, including recreational, commercial, or tribal use of the waters of the state.

(17) \$50,000,000 of the salmon recovery account—state appropriation is provided solely for the salmon recovery board to provide grants for projects valued at greater than \$5,000,000 each that will benefit salmon recovery.

(18) \$25,000,000 of the salmon recovery account—state appropriation is provided solely for the salmon recovery board to provide grants for watershed projects typically valued at less than \$5,000,000 each that will benefit salmon recovery.

(19) \$25,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to provide a grant for the Duckabush estuary restoration project.

Sec. 306. 2021 c 334 s 306 (uncodified) is amended to read as follows:

FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE

General Fund—State Appropriation (FY 2022)	(\$2,686,000)
	<u>\$2,735,000</u>
General Fund—State Appropriation (FY 2023)	(\$2,728,000)
	<u>\$2,981,000</u>
TOTAL APPROPRIATION	(\$5,414,000)
	<u>\$5,716,000</u>

Sec. 307. 2021 c 334 s 307 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

General Fund—State Appropriation (FY 2022)	(\$10,859,000)
	<u>\$11,189,000</u>
General Fund—State Appropriation (FY 2023)	(\$10,797,000)
	<u>\$19,405,000</u>
General Fund—Federal Appropriation	\$2,482,000
General Fund—Private/Local Appropriation	\$100,000
Public Works Assistance Account—State Appropriation	(\$8,450,000)

	<u>\$8,464,000</u>
Model Toxics Control Operating Account—State	\$1,110,000
Appropriation	\$15,000,000
Salmon Recovery Account—State Appropriation	(((\$33,798,000))
TOTAL APPROPRIATION	<u>\$57,750,000</u>

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

(1) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 and \$100,000 of the general fund—private/local appropriation (is) are provided solely for the sustainable farms and fields program created in RCW 89.08.615 to provide technical assistance, education, and outreach to promote carbon storage and reduce greenhouse gas emissions. Grant funds may be used to promote cover crops, cost-share opportunities such as purchases of equipment, seeds, soil amendments, and development of conservation plans that increase carbon storage and reduce greenhouse gas emissions.

(2) \$1,500,000 of the general fund—state appropriation for fiscal year 2022 and \$1,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for conservation district technical assistance, project cultural resources review, project engineering, agency administration, and cost-share grants to landowners for recovery from wildfire damage, including, but not limited to, rebuilding fences, seeding unstable slopes, controlling weeds, and planting shrubs and trees for wildlife habitat.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$40,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to:

(a) Enter into an agreement with the department of ecology for a water bank in Okanogan county, which must focus solely on retaining agricultural water rights for use by other agricultural producers in the watershed of origin; and

(b) Report to the appropriate committees of the legislature by December 31, 2022, on the effectiveness of the Okanogan water bank at retaining agricultural water rights, and the potential for developing additional water banks in Washington using this model.

(4) (((\$8,450,000)) \$8,464,000 of the public works assistance account—state appropriation is provided solely for implementation of the voluntary stewardship program. This amount may not be used to fund agency indirect and administrative expenses.

(5) \$170,000 of the general fund—state appropriation for fiscal year 2022 and \$170,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to convene and facilitate a food policy forum.

(6) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the commission to share evenly with conservation districts to increase assistance to landowners to achieve environmental stewardship and agricultural sustainability.

(7) \$23,000 of the general fund—state appropriation for fiscal year 2022 and \$4,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5253 (pollinator health). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(8) \$1,300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the commission to develop a riparian plant propagation program of native trees and shrubs to implement riparian restoration projects that meet riparian zone requirements established by the department of fish and wildlife.

Plantings will be made available for free or at a reduced cost to restoration projects.

(9) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 and \$5,000,000 of the salmon recovery account—state appropriation are provided solely for the purposes of the conservation reserve enhancement program, including additional project management and cost-share funding.

(10)(a) \$125,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to provide a grant to the King county conservation district for a pilot program to reduce the impacts of artificial lighting on or near the water (on-water lighting) on the behavior of salmon and other aquatic life in Lake Sammamish. The grant funding may be used for:

(i) Supporting local efforts to develop a model ordinance to reduce on-water lighting impacts on salmon for new and existing construction;

(ii) Education and outreach on the impacts of on-water lighting;
(iii) Development of methods to reduce the impacts of on-water lighting; and

(iv) A contract with the United States geologic survey to conduct a baseline survey of artificial light levels, including light location and intensity along the Lake Sammamish nearshore, artificial light hotspots, and a survey report.

(b) The department must report to the appropriate committees of the legislature by June 30, 2023, on the use of the funding in this subsection and the resulting reductions in on-water lighting.

(11) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 2051 (agricultural disaster assist). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(12) \$60,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the commission to grant to the Washington resource conservation and development council to complete a community wildfire protection plan.

(13) \$2,700,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the commission to make available to local conservation districts for project engineering services to enable permit and design work for conservation projects.

(14) \$10,000,000 of the salmon recovery account—state appropriation is provided solely for the commission to provide grants for riparian restoration projects with landowners.

Sec. 308. 2021 c 334 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund—State	Appropriation (FY 2022)	(((\$89,387,000))
		<u>\$99,986,000</u>
General Fund—State	Appropriation (FY 2023)	(((\$87,617,000))
		<u>\$153,153,000</u>
General Fund—Federal	Appropriation	(((\$130,092,000))
		<u>\$133,906,000</u>
General Fund—Private/Local	Appropriation	(((\$62,539,000))
		<u>\$64,980,000</u>
ORV and Nonhighway Vehicle Account—State	Appropriation	(((\$646,000))
		<u>\$678,000</u>
Aquatic Lands Enhancement Account—State	Appropriation	(((\$12,240,000))
		<u>\$12,663,000</u>
Recreational Fisheries Enhancement Account—State	Appropriation	(((\$3,300,000))

	<u>\$3,363,000</u>
Warm Water Game Fish Account—State Appropriation	(((\$2,779,000))
	<u>\$3,481,000</u>
Eastern Washington Pheasant Enhancement Account—State Appropriation	(((\$675,000))
	<u>\$865,000</u>
Limited Fish and Wildlife Account—State Appropriation	(((\$32,825,000))
	<u>\$39,217,000</u>
Special Wildlife Account—State Appropriation	(((\$2,891,000))
	<u>\$2,911,000</u>
Special Wildlife Account—Federal Appropriation	(((\$518,000))
	<u>\$520,000</u>
Special Wildlife Account—Private/Local Appropriation	(((\$3,634,000))
	<u>\$3,688,000</u>
Wildlife Rehabilitation Account—State Appropriation	\$661,000
Ballast Water and Biofouling Management Account—State Appropriation	\$10,000
Regional Fisheries Enhancement Salmonid Recovery Account—Federal Appropriation	\$5,001,000
Oil Spill Prevention Account—State Appropriation	(((\$1,163,000))
	<u>\$1,219,000</u>
Aquatic Invasive Species Management Account—State Appropriation	\$1,037,000
Model Toxics Control Operating Account—State Appropriation	(((\$2,969,000))
	<u>\$2,979,000</u>
Fish, Wildlife, and Conservation Account—State Appropriation	(((\$75,023,000))
	<u>\$77,589,000</u>
Oyster Reserve Land Account—State Appropriation	\$524,000
Salmon Recovery Account—State Appropriation	<u>\$3,000,000</u>
TOTAL APPROPRIATION	(((\$15,531,000))
	<u>\$611,431,000</u>

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

(1) \$45,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Engrossed Substitute House Bill No. 1054 (peace officer tactics, equip). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(2) \$29,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1310 (uses of force by officers). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$534,000 of the general fund—state appropriation for fiscal year 2022 and \$472,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1382 (salmon recovery projects). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(4) \$1,777,000 of the general fund—state appropriation for fiscal year 2022 and \$1,777,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to grant to the northwest Indian fisheries commission for hatchery operations that are prioritized to increase prey abundance for southern resident orcas, including \$200,000 per fiscal year for tagging and marking costs, and the remainder to grant to tribes in the following amounts per fiscal year: \$150,000 for the Quinault Indian Nation, \$199,000 for the Tulalip Tribes, \$268,000 for the

Quileute Tribe, \$186,000 for the Puyallup Tribe, \$122,000 for the Port Gamble S'Klallam Tribe, \$25,000 for the Muckleshoot Indian Tribe, \$207,000 for the Squaxin Island Tribe, \$142,000 for the Skokomish Indian Tribe, and \$278,000 for the Lummi Nation. It is the intent of the legislature to continue this funding in future biennia.

(5) \$330,000 of the general fund—state appropriation for fiscal year 2022 and \$330,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to provide to the Yakama Nation for hatchery operations that are prioritized to increase prey abundance for southern resident orcas. It is the intent of the legislature to continue this funding in future biennia.

(6) \$175,000 of the general fund—state appropriation for fiscal year 2022 and \$175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to grant to public utility districts for additional hatchery production that is prioritized to increase prey abundance for southern resident orcas. It is the intent of the legislature to continue this funding in future biennia.

(7) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the department for hatchery maintenance.

(8) (((\$467,000)) \$3,139,000 of the general fund—state appropriation for fiscal year 2022 and \$467,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

(9) \$503,000 of the general fund—state appropriation for fiscal year 2022, \$503,000 of the general fund—state appropriation for fiscal year 2023, and \$440,000 of the general fund—federal appropriation are provided solely for county assessments.

(10) \$400,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the United States army corps of engineers.

(11) (((\$378,000)) \$555,000 of the general fund—state appropriation for fiscal year 2022 and (((\$378,000)) \$558,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for operating budget impacts from capital budget projects funded in the 2019-2021 and 2021-2023 fiscal ((biennium)) biennia.

(12) \$477,000 of the general fund—state appropriation for fiscal year 2022 and \$477,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to develop conflict mitigation strategies for wolf recovery and staff resources in northeast Washington for response to wolf-livestock conflicts. The department must provide focus on minimizing wolf-livestock issues in the Kettle range. The department is discouraged from the use of firearms from helicopters for removing wolves.

(13) \$251,000 of the general fund—state appropriation for fiscal year 2022 and \$251,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for suppression, eradication, and monitoring of northern pike in the Columbia river. The department must work with the Spokane Tribe of Indians, the Confederated Tribes of the Colville Reservation, and the Kalispel Tribe of Indians on identifying appropriate actions to reduce threats to anadromous salmon from invasive northern pike.

(14) \$753,000 of the general fund—state appropriation for fiscal year 2022 and \$753,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for expanded management of pinniped populations on the lower Columbia river and its tributaries with the goal of increasing chinook salmon abundance and prey availability for southern

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resident orcas.

(15) \$1,262,000 of the general fund—state appropriation for fiscal year 2022 and \$1,262,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the costs for the department to maintain shellfish sanitation activities necessary to implement its memorandum of understanding with the department of health to ensure the state is compliant with its federal obligations under the model ordinance of the national shellfish sanitation program.

(16) \$603,000 of the general fund—state appropriation for fiscal year 2022 and \$603,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to create a statewide permittee assistance program as part of hydraulic project approvals, in which department staff collaborate with landowners during construction to help resolve risks of permit noncompliance.

(17) \$470,000 of the general fund—state appropriation for fiscal year 2022 and \$470,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to expand efforts to survey the diets of seals and sea lions in Puget Sound and identify nonlethal management actions to deter them from preying on salmon and steelhead.

((19)) (18) \$518,000 of the general fund—state appropriation for fiscal year 2022 and \$519,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to continue to provide policy and scientific support to the department of ecology regarding surface and groundwater management issues as part of implementing chapter 90.94 RCW streamflow restoration.

((20)) (19) \$271,000 of the general fund—state appropriation for fiscal year 2022 and \$271,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 291, Laws of 2019 (southern resident orca whales—protection from vessels), contracts with nonprofit organizations to monitor vessel traffic and educate boaters to be whale wise, and participation in other orca recovery efforts.

((21)) (20) Within amounts appropriated in this section, the department, in coordination with statewide law enforcement agencies, must provide a report to the legislature by January, 2022 on the number of cougars reported to the department as harvested by local government law enforcement agencies, training opportunities provided to local law enforcement agencies, and how cougar removals by local enforcement agencies impact the department's cougar management strategies.

((22)) (21) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement priority actions in the state pinto abalone recovery plan. Of the amounts provided, \$85,000 each fiscal year must be used to locate, monitor, and safeguard wild populations of pinto abalone along the strait of Juan de Fuca, outer coast, and San Juan islands and the remaining amounts must be granted to the Puget Sound restoration fund to increase production, diversity, and resilience of out-planted abalone.

((23)) (22) \$315,000 of the general fund—state appropriation for fiscal year 2022 and \$315,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to research and monitor the impacts of polychlorinated biphenyls (PCB) on indicator species. The department must coordinate with the department of ecology on implementation of this subsection.

((24)) (23) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to conduct an evaluation of the forest practices

adaptive management program. The evaluation will be carried out generally consistent with the proposal provided to the timber, fish, and wildlife (TFW) policy committee in January 2020 titled *Assessing Changes in Uncertainty During Adaptive Management: A Case Study of the Washington State Forest Practices Habitat Conservation Plan*. To the extent practicable, the evaluation shall satisfy the cooperative monitoring, evaluation, and research five-year peer review process as required in WAC 222-12-045(2)(f), and support other ongoing forest practices adaptive management program evaluation and improvement efforts. The department shall consult with TFW policy caucus participants during the evaluation and provide for public review and comment of the draft report. A progress report shall be delivered to TFW policy participants and appropriate committees of the legislature by December 31, 2022, and a final report by June 30, 2023.

((25)) (24) \$1,175,000 of the general fund—state appropriation for fiscal year 2022 and \$1,175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to restore shrubsteppe habitat and associated wildlife impacted by wildfires.

(a) This funding is intended for the restoration of habitat on public lands as well as private lands by landowners who are willing to participate. The restoration effort must be coordinated with other natural resource agencies and interested stakeholders.

(b) Restoration actions may include: (i) Increasing the availability of native plant materials; (ii) increasing the number of certified and trained personnel for implementation at scale; (iii) support for wildlife-friendly fencing replacement; (iv) support for private landowners/ranchers to defer wildland grazing and allow natural habitat regeneration; and (v) species-specific recovery actions.

(c) The department must submit a progress report to the appropriate committees of the legislature on the investments made under this subsection by December 1, 2022, with a final report submitted by September 1, 2023.

(d) Within the amounts provided in this subsection, \$250,000 must be used by the department to form a collaborative group process representing diverse stakeholders and facilitated by a neutral third-party to develop a long-term strategy for shrubsteppe conservation and fire preparedness, response, and restoration to meet the needs of the state's shrubsteppe wildlife and human communities. The collaborative may serve as providing expertise and advice to the wildland fire advisory committee administered by the department of natural resources and build from the wildland fire 10-year strategic plan. Components to be addressed by the collaborative include the restoration actions described in (b) of this subsection and on spatial priorities for shrubsteppe conservation, filling gaps in fire coverage, management tools to reduce fire-prone conditions on public and private lands, and identifying and making recommendations on any other threats. Any reports and findings resulting from the collaborative may be included in the report specified in (c) of this subsection.

((26)) (25) \$80,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to contract with the Washington state academy of sciences to provide policymakers with a report on current evidence on pinniped predation of salmon, with an emphasis on Washington's portion of the Salish sea and Washington's outer coast. The academy must provide an independent study that reviews the existing science regarding pinniped predation of salmonids, including what is known about pinniped predation of salmonids, and with what level of certainty; where the knowledge gaps are; where additional research is needed; how the science

may inform decisionmakers; and assessment of the scientific and technical aspects of potential management actions. Early in this process, the academy must convene separate meetings with comanagers and scientists to share relevant research and data and provide context for the academy's work.

((27)) (26) \$198,000 of the general fund—state appropriation for fiscal year 2022 and \$70,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5253 (pollinator health). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(28)) (27) \$21,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Substitute Senate Bill No. 5273 (shoreline armoring). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(29)) (28) \$44,000 of the general fund—state appropriation for fiscal year 2022 and \$24,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Substitute Senate Bill No. 5381 (fish passage project permits). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(30)) (29) \$132,000 of the general fund—state appropriation for fiscal year 2022 and \$48,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5452 (electric-assisted bicycles). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.

(31)) (30) \$600,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to conduct a pilot project to test New Zealand style elk fencing, similar to the style used by the United States Department of Agriculture at the Starkey Experimental Forest and Range, including materials and construction techniques, and determine the cost and effectiveness of the fence design in reducing damage to school property and agricultural lands within the range of the north Cascades elk herd. The department of fish and wildlife shall work with at least one agricultural property owner in Skagit county with property abutting state highway 20 and one school district located in Skagit county with enrollment of less than 650 students that volunteer to build and test the elk fence design and, in compliance with RCW 43.01.036, report back to the natural resources committees of the legislature by November 1, 2022, on the results of the pilot project.

((32)) (31) \$155,000 of the general fund—state appropriation for fiscal year 2022 and \$310,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement strategies to control against chronic wasting disease in native species of the state.

((33) \$1,682,000) (32) \$841,000 of the fish, wildlife and conservation account—state appropriation ((is)), \$430,000 of the general fund—state appropriation for fiscal year 2022, and \$411,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to work with stakeholders to improve steelhead spawning estimates for improved fishing regulations such that enhanced conservation and equitable fisheries are established.

((34)) (33) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to assist local jurisdictions in responding to cougar related public safety issues. The funding is available to a local jurisdiction if they have a signed agreement with the department that recognizes cougar management authority is vested in the department and provides criteria to determine if a cougar creates an actionable public safety risk eligible for financial assistance.

For the purposes of this subsection, a cougar presence on private property alone does not create an actionable public safety risk.

((35)) (34) \$90,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to complete the final phase of the Cowlitz river salmon and steelhead hook mortality study. No less than \$60,000 of the amount provided in this subsection is provided for the original contractor of the study to complete their work. A final report shall be provided to the appropriate committees of the legislature by December 31, 2022.

((36)) (35) \$130,000 of the general fund—state appropriation for fiscal year 2022 and \$130,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for an external facilitator to seek solutions through a collaborative process using the department's wolf advisory group.

((37)) (36) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to develop a plan to protect native and hatchery produced steelhead for each river system of Grays harbor, Willapa bay, and coastal Olympic peninsula. The plan must adequately protect those fisheries for healthy runs year-after-year as well as provide reasonable fishing opportunities. The plan must include active stakeholder input and include an outreach strategy sufficient to keep conservation and angler interests well informed of proposed changes in advance of annual fishing seasons. The plan must be reported to the appropriate committees of the legislature by December 1, 2022.

(37) \$600,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to implement executive order 21-02, archaeological and cultural resources.

(38) \$313,000 of the general fund—state appropriation for fiscal year 2022 and \$408,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to perform forage fish spawning surveys in Puget Sound.

(39) \$294,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to complete rule making related to chapter 77.57 RCW, fishways, flow, and screening.

(40) \$402,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide technical assistance and permitting guidance on solar facility proposals with the intent of limiting impacts to threatened and endangered species and critical and sensitive habitat areas, including shrubsteppe.

(41) \$1,297,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to increase technical assistance to local jurisdictions to better integrate salmon recovery plans into growth management comprehensive plans and critical areas ordinances.

(42) \$121,000 of the general fund—state appropriation for fiscal year 2022 and \$515,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to improve salmon population data analysis, improve salmon abundance modeling, better manage salmon fisheries policy, and collaborate with tribal comanagers on fisheries allocations. The department must make all state-generated documents and notes that were part of the north of falcon process available for public review once the process is completed.

(43) \$3,802,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to monitor recreational salmon and steelhead harvest in freshwater streams and rivers in Puget Sound and along the Washington coast.

(44) \$2,116,000 of the general fund—state appropriation for

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fiscal year 2023 is provided solely to monitor salmon harvest from the ocean and Puget Sound.

(45) \$994,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to monitor salmon harvest from commercial fisheries.

(46) \$226,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a marine fisheries compliance liaison to collaborate with other law enforcement partners on commercial and recreational fisheries issues.

(47) \$1,283,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for additional law enforcement officers for marine and freshwater fisheries compliance.

(48) \$372,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to develop and implement a mobile-based electronic catch record card system for statewide marine and freshwater fisheries.

(49) \$852,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide additional capacity to the attorney general's office to prosecute environmental crimes. The department must provide an annual report by December 1st of each year, to the appropriate committees of the legislature, on the progress made in prosecuting environmental crimes.

(50) \$4,283,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to develop a monitoring and evaluation program for salmon and steelhead hatcheries in western Washington with the goal to improve survival of hatchery fish to adult returns and adaptively manage hatchery programs to better achieve management goals, including rebuilding natural populations for conservation purposes and increasing fishing opportunities.

(51) \$2,392,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to conduct fish in/fish out monitoring for the purposes of measuring freshwater systems salmon productivity for purposes of salmon recovery.

(52) \$1,040,000 of the general fund—state appropriation for fiscal year 2023 and \$295,000 of the limited fish and wildlife account are provided solely to monitor recreational shellfish harvest in Puget Sound.

(53) \$710,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to monitor recreational Dungeness crab harvest along the Washington coast.

(54) \$360,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to complete a statewide prioritization of fish passage barriers in collaboration with regional salmon recovery organizations.

(55) \$494,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to participate in hydropower licensing efforts for the purposes of mitigating impacts to salmon and other fish and wildlife species as a result of new or renewing federal and nonfederal hydropower facilities.

(56) \$90,000 of the general fund—state appropriation for fiscal year 2022 and \$166,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to complete the following activities:

(a) By December 1, 2022, and consistent with RCW, the department must submit a report to the legislature that assesses how to incorporate a net ecological gain standard into state land use, development, and environmental laws and rules to achieve a goal of better statewide performance on endangered species recovery and ecological health. The report must address each environmental, development, or land use law or rule where the existing standard is less protective of ecological integrity than the standard of net ecological gain, including the shoreline

management act (chapter 90.58 RCW), the growth management act (chapter 36.70A RCW), construction projects in state waters (chapter 77.55 RCW), and the model toxics control act.

(b) In developing the report under this section, the department must consult with the appropriate local governments, state agencies, federally recognized Indian tribes, and stakeholders with subject matter expertise on environmental, land use, and development laws including but not limited to cities, counties, ports, the department of ecology, and the department of commerce.

(c) The report must include:

(i) Development of a definition, objectives, and goals for the standard of net ecological gain;

(ii) An assessment and comparison analysis of opportunities and challenges, including legal issues and costs on state and local governments to achievement of overall net ecological gain through both:

(A) Implementation of a standard of net ecological gain under different environmental, development, and land use laws; and

(B) An enhanced approach to implementing and monitoring no net loss in existing environmental, development, and land use laws;

(iii) Recommendations on funding, incentives, technical assistance, legal issues, monitoring, and use of scientific data, and other applicable considerations to the integration of needs to assess progress made toward achieving net ecological gain into each environmental, development, and land use law or rule; and

(iv) An assessment of how applying a standard of net ecological gain in the context of each environmental, land use, or development law is likely to achieve substantial additional environmental or social cobenefits.

(57) \$70,000 of the general fund—state appropriation for fiscal year 2022 and \$997,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to assess the status of current riparian ecosystems, beginning with areas where sufficient information exists to conduct the assessment. The assessment must include identifying any gaps in vegetated cover relative to a science-based standard for a fully functioning riparian ecosystem and comparing the status and gaps to water temperature impairments, known fish passage barriers, and status of salmonid stocks.

(58) \$70,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for removal efforts for invasive bullfrogs and habitat preservation for species threatened by the bullfrogs, including the western pond turtle, Oregon spotted frog, and northern leopard frog.

(59) \$95,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for research on shell disease in western pond turtles.

(60) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to address the maintenance backlog associated with providing recreation on lands managed by the department. Allowable uses include, but are not limited to, maintenance, repair, or replacement of trails, toilet facilities, roads, parking lots, campgrounds, picnic sites, water access areas, signs, kiosks, and gates. The department is encouraged to partner with nonprofit organizations in the maintenance of public lands.

(61) \$60,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute House Bill No. 1753 (climate funding/tribes). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(62) \$39,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1735 (peace officers/use of force). If the bill is not

enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(63) \$16,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1181 (veterans & military suicide). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(64) \$159,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Substitute House Bill No. 1508 (shellfish sanitary control). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(65) \$14,400,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to reduce the number of nontribal commercial gillnet fishing licenses on the Columbia river through a voluntary buy-back program.

(a) Until November 30, 2022, the department may pay up to \$25,000 each for licenses that have been inactive since 2019 and up to \$120,000 each for licenses that have been active since 2019. After November 30, 2022, the department may pay up to \$20,000 each for licenses that have been inactive since 2019 and up to \$96,000 each for licenses that have been active since 2019. It is the intent of the legislature that this will be the last appropriation made to buy back licenses for the Columbia river gillnet fishery.

(b) For all licenses purchased, the department shall calculate the reduced impacts to wild and endangered stocks based on the most recent five-year average of harvest and reserve those impacts for conservation through increased wild salmonid escapement or mark-selective fisheries capable of harvesting surplus hatchery-reared salmon where needed to meet federal genetic protection requirements for wild salmon populations in a manner consistent with state-tribal fishery management agreements.

(c) The department must make recommendations to the legislature for any necessary changes in statute, regulations, or program funding levels to transition lower Columbia river mainstem gillnet fisheries to alternative, selective fishing gears, including pound nets or other gears capable of benefiting wild salmon conservation through mark-selective harvest practices. The recommendation must be submitted to the appropriate committees of the legislature by December 1, 2022.

(66) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department, in consultation with the department of ecology, the department of natural resources, the Colville confederated tribes, the Okanogan PUD, and other interested entities to analyze the steps required, including coordination and ownership, associated with the possible removal of Enloe dam and analyze options for sediment removal in order to restore the Similkameen river, minimize impacts downriver, and allow access to over 300 miles of habitat for federally-threatened steelhead and other native salmonids. Any contract required to fulfill this analysis is exempt from the competitive procurement requirements in chapter 39.26 RCW. A report of the department's findings, analysis, and recommendations for funding or further considerations for the Enloe dam removal must be made to the appropriate committees of the legislature by December 1, 2022.

(67) \$2,472,000 of the general fund—state appropriation in fiscal year 2022 and \$6,096,000 of the general fund—state appropriation in fiscal year 2023 are provided solely for the department to implement eradication and control measures on European green crabs through coordination and grants with partner organizations. The department must provide quarterly progress reports on the success and challenges of the measures to the appropriate committees of the legislature by December 1, 2022.

(68) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to increase the support of regional fish enhancement groups.

(69) \$75,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to install elk fencing in the Skagit river valley to help mitigate crop damage.

(70) \$3,000,000 of the salmon recovery account—state appropriation for fiscal year 2023 is provided solely for the department to provide grants and coordinate with the tribes of the upper Columbia river to reintroduce Chinook salmon.

(71) The legislature intends to fund the monitoring items contained in subsections (43) through (45) and (50) through (53) of this section through fiscal year 2025. A brief status report of the data collected and findings from each monitoring item funded in this section is due to the appropriate committees of the legislature by December 1st of each fiscal year through 2025.

(72) \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to prepare a report on estimates of the annual fishery harvest impact for the years 2010 through 2020. The report must include an analysis of catch and incidental fishery-related mortalities for each wild Puget Sound chinook population or management unit aggregate for which co-management fishery conservation objectives have been defined. The report must also include estimates of the annual number of spawning adults, natural and hatchery, for the same period. Consistent with ensuring that tribal treaty obligations are being achieved, the report must also include annual estimates of the state-tribal allocation of Puget Sound chinook and coho salmon harvests, natural and hatchery, made for each allocation unit as required by the Puget Sound salmon management plan for the same period. The report shall be submitted to the appropriate committees of the legislature by December 15, 2022.

(73) \$3,510,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants for the following activities:

(a) \$900,000 for the Lummi Nation to make infrastructure updates at the Skookum hatchery;

(b) \$250,000 for the Confederated Tribes of the Colville Reservation to upgrade heating, ventilation, and air conditioning systems at the Colville trout hatchery, and to acquire a hatchery fish transport truck with aquaculture adaptations;

(c) \$230,000 for the Yakama Nation to incorporate rearing vessels at the Cle Elum facility and to build circular covers at the lower Yakima facility;

(d) \$1,180,000 to the Puyallup Tribe to build an augmentation well at Voights creek hatchery, upgrade the water supply system and alarms at the Clarks creek hatchery, and convert rearing ponds into eight raceways at Diru creek chum hatchery;

(e) \$600,000 to the Suquamish Tribe to install an abatement pond at Grovers creek hatchery and replace raceways at Gorst coho raceways; and

(f) \$350,000 to the Jamestown S'Klallam Tribe to upgrade water supply systems at Point Whitney and expand shellfish seed production capacity at the shellfish hatchery in Kona.

Sec. 309. 2021 c 334 s 309 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2022)	(\$5,592,000)
	\$5,613,000
General Fund—State Appropriation (FY 2023)	(\$5,464,000)
	\$8,227,000
General Fund—Federal Appropriation	((12,701,000))
	\$22,252,000
Aquatic Lands Enhancement Account—State Appropriation	((1,437,000))
	\$1,448,000

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Model Toxics Control Operating	Account—State
Appropriation	(((\$1,295,000))
	<u>\$1,304,000</u>
TOTAL APPROPRIATION	(((\$26,489,000))
	<u>\$38,844,000</u>

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

(1) \$209,000 of the general fund—state appropriation for fiscal year 2022 and \$209,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1382 (salmon recovery projects). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(2) By October 15, 2022, the Puget Sound partnership shall provide the governor and appropriate legislative fiscal committees a single, prioritized list of state agency 2023-2025 capital and operating budget requests related to Puget Sound recovery and restoration.

(3) \$304,000 of the general fund—state appropriation for fiscal year 2022 and \$272,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Puget Sound partnership to develop and implement an action plan that advances diversity, equity, and inclusion and environmental justice in Puget Sound recovery efforts.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Puget Sound partnership to perform coordination and monitoring related to Puget Sound kelp conservation and recovery.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Puget Sound partnership to implement shipping noise-reduction initiatives and monitoring programs in the Puget Sound, in coordination with Canadian and United States authorities. The partnership must contract with Washington Maritime Blue in order to establish and administer the quiet sound program to better understand and reduce the cumulative effects of acoustic and physical disturbance from large commercial vessels on southern resident orcas throughout their range in Washington state. Washington Maritime Blue will support a quiet sound advisory committee that should include relevant federal and state agencies, ports, industry, research institutions, and nongovernmental organizations and consult early and often with relevant federally recognized tribes.

(6) \$393,000 of the general fund—state appropriation for fiscal year 2022 and \$295,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5141 (environmental justice task force recommendations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(7) \$2,576,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to update local watershed salmon recovery chapters to reflect best available science on a regular basis, support scientific investigations to advance salmon recovery, increase collaboration and address barriers to Puget Sound salmon recovery, integrate data on salmon recovery into the Puget Sound online reporting platform, and track progress across the region.

Sec. 310. 2021 c 334 s 310 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund—State	Appropriation (FY 2022)
	(((\$134,520,000))
	<u>\$215,075,000</u>

General Fund—State	Appropriation (FY 2023)
	(((\$153,194,000))
	<u>\$118,842,000</u>
General Fund—Federal	Appropriation
	(((\$42,668,000))
	<u>\$52,453,000</u>
General Fund—Private/Local	Appropriation
	(((\$3,161,000))
	<u>\$3,188,000</u>
Forest Development Account—State	Appropriation
	(((\$53,180,000))
	<u>\$55,326,000</u>
ORV and Nonhighway Vehicle Account—State	Appropriation
	(((\$7,063,000))
	<u>\$7,366,000</u>
Surveys and Maps Account—State	Appropriation
	(((\$2,131,000))
	<u>\$2,232,000</u>
Aquatic Lands Enhancement Account—State	Appropriation
	(((\$8,641,000))
	<u>\$9,132,000</u>
Resource Management Cost Account—State	Appropriation
	(((\$108,931,000))
	<u>\$113,787,000</u>
Surface Mining Reclamation Account—State	Appropriation
	(((\$4,141,000))
	<u>\$4,291,000</u>
Disaster Response Account—State	Appropriation
	(((\$23,110,000))
	<u>\$23,181,000</u>
((Contract Harvesting Revolving Nonappropriated Account—State	Appropriation
	\$186,000))
Forest and Fish Support Account—State	Appropriation
	(((\$11,182,000))
	<u>\$11,492,000</u>
Aquatic Land Dredged Material Disposal Site Account—State	Appropriation
	(((\$404,000))
	<u>\$405,000</u>
Natural Resources Conservation Areas Stewardship Account—State	Appropriation
	(((\$46,000))
	<u>\$286,000</u>
Forest Fire Protection Assessment Nonappropriated Account—State	Appropriation
	\$191,000
State Forest Nursery Revolving Nonappropriated Account—State	Appropriation
	\$75,000
Access Road Revolving Nonappropriated Account—State	Appropriation
	\$233,000
Forest Practices Application Account—State	Appropriation
	(((\$1,978,000))
	<u>\$2,080,000</u>
Air Pollution Control Account—State	Appropriation
	(((\$895,000))
	<u>\$907,000</u>
Forest Health Revolving Nonappropriated Account—State	Appropriation
	\$240,000
Model Toxics Control Operating Account—State	Appropriation
	(((\$21,407,000))
	<u>\$14,515,000</u>
<u>Wildfire Response, Forest Restoration, and Community Resilience Account—State</u>	<u>Appropriation</u>
	<u>\$87,107,000</u>
NOVA Program Account—State	Appropriation
	(((\$779,000))
	<u>\$807,000</u>
Derelict Vessel Removal Account—State	Appropriation
	(((\$1,997,000))
	<u>\$6,317,000</u>
Community Forest Trust Account—State	Appropriation
	\$52,000

Agricultural College Trust Management Account—State Appropriation	(((\$3,171,000)) <u>\$4,039,000</u>
Natural Resources Federal Lands Revolving Nonappropriated Account—State Appropriation	\$16,000
Salmon Recovery Account—State Appropriation	<u>\$7,000,000</u>
TOTAL APPROPRIATION	(((\$583,592,000)) <u>\$740,635,000</u>

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

(1) \$1,857,000 of the general fund—state appropriation for fiscal year 2022 and \$1,857,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to carry out the forest practices adaptive management program pursuant to RCW 76.09.370 and the May 24, 2012, settlement agreement entered into by the department and the department of ecology. Scientific research must be carried out according to the master project schedule and work plan of cooperative monitoring, evaluation, and research priorities adopted by the forest practices board.

(2) (((\$55,791,000)) \$43,316,000 of the general fund—state appropriation for fiscal year 2022 and (((\$74,632,000)) \$87,107,000 of the ((general fund—state appropriation for fiscal year 2023)) wildfire response, forest restoration, and community resilience account—state appropriation are provided solely for the implementation of Second Substitute House Bill No. 1168 (long-term forest health). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(3) \$873,000 of the general fund—state appropriation for fiscal year 2022 and \$1,816,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1216 (urban and community forestry). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(4) \$176,000 of the forest development account—state appropriation, \$164,000 of the aquatic lands enhancement account—state appropriation, \$377,000 of the resource management cost account—state appropriation, and \$22,000 of the agricultural college trust management account—state appropriation are provided solely for the implementation of Substitute House Bill No. 1355 (noxious weeds). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(5) \$12,000 of the aquatic lands enhancement account—state appropriation and \$10,000 of the resource management cost account—state appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1382 (salmon recovery projects). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(6) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the small forest landowner office, in order to restore staffing capacity reduced during the great recession and to support small forest landowners, including assistance related to forest and fish act regulations.

(7) \$1,583,000 of the general fund—state appropriation for fiscal year 2022 and \$1,515,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(8) (((\$20,668,000)) \$112,582,000 of the general fund—state appropriation for fiscal year 2022, \$20,668,000 of the general

fund—state appropriation for fiscal year 2023, and \$16,050,000 of the disaster response account—state appropriation are provided solely for emergency response, including fire suppression. The department shall provide a monthly report to the office of financial management and the appropriate fiscal and policy committees of the legislature with an update of fire suppression costs incurred and the number and type of wildfires suppressed. ((The amounts provided in this subsection may not be used to fund the department's indirect and administrative expenses. The department's indirect and administrative costs shall be allocated among its remaining accounts and appropriations.))

(9) \$2,823,000 of the general fund—state appropriation for fiscal year 2023 and \$66,000 of the disaster response account—state appropriation are provided solely for indirect and administrative expenses related to fire suppression. It is the intent of the legislature that the amount of state general fund and disaster response account appropriations to support administrative expenses for fire suppression will be phased in through fiscal year 2025.

(10) \$5,500,000 of the forest and fish support account—state appropriation is provided solely for outcome-based performance contracts with tribes to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect costs set at or below the rate in the contracting tribe's indirect cost agreement with the federal government. Of the amount provided in this subsection, \$500,000 is contingent upon receipts under RCW 82.04.261 exceeding eight million dollars per biennium. If receipts under RCW 82.04.261 are more than eight million dollars but less than eight million five hundred thousand dollars for the biennium, an amount equivalent to the difference between actual receipts and eight million five hundred thousand dollars shall lapse.

((10)) (11) Consistent with the recommendations of the *Wildfire Suppression Funding and Costs (18-02)* report of the joint legislative audit and review committee, the department shall submit a report to the governor and legislature by December 1, 2021, and December 1, 2022, describing the previous fire season. At a minimum, the report shall provide information for each wildfire in the state, including its location, impact by type of land ownership, the extent it involved timber or range lands, cause, size, costs, and cost-share with federal agencies and nonstate partners. The report must also be posted on the agency's website.

((11)) (12) \$4,206,000 of the aquatic land enhancement account—state appropriation is provided solely for the removal of creosote pilings and debris from the marine environment and to continue monitoring zooplankton and eelgrass beds on state-owned aquatic lands managed by the department. Actions will address recommendations to recover the southern resident orca population and to monitor ocean acidification as well as help implement the Puget Sound action agenda.

((12)) (13) \$448,000 of the general fund—state appropriation for fiscal year 2022 and \$448,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to coordinate with the Olympic natural resources center to study emerging ecosystem threats such as Swiss needlecast disease, conduct field trials for long-term ecosystem productivity and T3 watershed experiments, and engage stakeholders through learning-based collaboration. The department may retain up to \$30,000 in one fiscal year to conduct Swiss needlecast surveys.

((13)) (14) \$185,000 of the general fund—state appropriation for fiscal year 2022 and \$185,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for compensation to the trust beneficiaries and department for lost revenue from leases to amateur radio operators who use space on the department managed radio towers for their equipment. The

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department is authorized to lease sites at the rate of up to one hundred dollars per year, per site, per lessee. The legislature makes this appropriation to fulfill the remaining costs of the leases at market rate per RCW 79.13.510.

((14)) (15) The appropriations in this section include sufficient funding for the department to review its burn permit fee schedule, and to develop options and recommendations on changes to the fee schedule to meet the requirement in RCW 70A.15.5020. The agency must report on options and recommendations to the office of financial management and the appropriate committees of the legislature by September 1, 2021.

((15)) (16) \$569,000 of the model toxics control operating account—state appropriation is provided solely to implement recommendations in the aerial herbicides in forestlands report submitted to the legislature in December 2019 from the aerial herbicide application working group. Specific work will include researching alternatives to chemicals for control of unwanted competing vegetation, compliance monitoring of aerial herbicides application, and updating the pesticide board manual.

((16)) (17) \$925,000 of the general fund—state appropriation for fiscal year 2022 and \$779,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to undertake geologic research to understand the geology and hydrology of the Columbia basin with regard to geothermal and groundwater resources. Funding must also be used for outreach and education to industries and regional communities to increase awareness of underground resources, how to access and use them, and the regulatory processes for doing so.

((17)) (18) \$77,000 of the general fund—state appropriation for fiscal year 2022, \$90,000 of the general fund—state appropriation for fiscal year 2023, \$82,000 of the forest development account—state appropriation, \$10,000 of the ORV and nonhighway vehicle account—state appropriation, \$19,000 of the aquatic lands enhancement account—state appropriation, \$189,000 of the resource management cost account—state appropriation, \$7,000 of the surface mining reclamation account—state appropriation, \$9,000 of the forest and fish support account—state appropriation, \$43,000 of the forest fire protection assessment nonappropriated account—state appropriation, \$13,000 of the state forest nursery revolving nonappropriated account—state appropriation, \$45,000 of the access road revolving nonappropriated account—state appropriation, \$26,000 of the forest health revolving nonappropriated account—state appropriation, and \$9,000 of the model toxics control operating account—state appropriation are provided solely for the department to move its data center currently located in the natural resources building to the state data center located in the Jefferson building as required by office of the chief information officer policy 184 and RCW 43.105.375. Funding is subject to the conditions, limitations, and review requirements of section 701 of this act.

((18)) (19) \$466,000 of the general fund—state appropriation for fiscal year 2022, ((\$125,000)) \$189,000 of the general fund—state appropriation for fiscal year 2023, ((\$364,000)) \$404,000 of the forest development account—state appropriation, \$254,000 of the aquatic lands enhancement account—state appropriation, ((\$754,000)) \$836,000 of the resource management cost account—state appropriation, \$27,000 of the surface mining reclamation account—state appropriation, ((\$186,000 of the contract harvesting revolving nonappropriated account—state appropriation,)) \$148,000 of the forest fire protection assessment nonappropriated account—state appropriation, \$62,000 of the state forest nursery revolving nonappropriated account—state appropriation, \$188,000 of the access road revolving

nonappropriated account—state appropriation, \$214,000 of the forest health revolving nonappropriated account—state appropriation, and \$16,000 of the natural resources federal lands revolving nonappropriated account—state appropriation are provided solely for the department to replace the NaturE revenue and leasing administration system and integrate with the new One Washington financial system. Funding is subject to the conditions, limitations, and review requirements of section 701 of this act.

((19)) (20)(a) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to maintain existing administrative facility infrastructure operated by the six regions of the department.

(b) The department's allocation of this appropriation and existing expenditure authority in certain other funds will be spread equitably across agency funds based on a model of positions by program or activity that utilize existing facility spaces within the agency's operating regions. The remaining costs at each site will remain the burden of existing management fund distribution. Department allocation of funds in this appropriation will be trackable by region and by project code.

(c) This appropriation is provided solely for the maintenance of existing administrative infrastructure, inclusive of ordinary maintenance, preventive maintenance, and maintenance services and inspections, minor repairs, system component replacement, and the delivery of utility and facility services.

(d) The department must provide a comparison of quarterly agency allotments and expenditures relating to this subsection, including a summary of the maintenance work for all regional facilities subject to this section to the office of financial management beginning in October 2021.

((20)) (21) \$175,000 of the general fund—state appropriation for fiscal year 2022 and \$175,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement a pilot project to evaluate the costs and benefits of marketing and selling specialty forest products including cedar salvage, alder, and other hardwood products. The pilot project must include: Identifying suitable areas for hardwood or cedar sales within the administrative areas of the Olympic and Pacific Cascade regions, preparing and conducting sales, and evaluating the costs and benefits from conducting the sales.

(a) The pilot project must include an evaluation that:

(i) Determines if revenues from the sales are sufficient to cover the costs of preparing and conducting the sales;

(ii) Identifies and evaluates factors impacting the sales, including regulatory constraints, staffing levels, or other limitations;

(iii) Compares the specialty sales to other timber sales that combine the sale of cedar and hardwoods with other species;

(iv) Evaluates the bidder pool for the pilot sales and other factors that impact the costs and revenues received from the sales; and

(v) Evaluates the current and future prices and market trends for cedar salvage and hardwood species.

(b) The department must work with affected stakeholders and report to the appropriate committees of the legislature with the results of the pilot project and make recommendation for any changes to statute by June 30, 2023.

((21)) (22) \$112,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Senate Bill No. 5158 (utility wildland fire cmte.). (If the bill is not enacted by June 30, 2021,

the amounts provided in this subsection shall lapse.

((23)) (23) \$407,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department to complete development of a programmatic safe harbor agreement, and the associated environmental analysis and draft enrollment language for inclusion in the forest practices rules. Within the amount provided in this subsection, the department must provide \$182,000 to the department of fish and wildlife to assist in the development of the programmatic safe harbor agreement. The department must provide a report to the appropriate committees of the legislature by December 15, 2021, on the status of the rule making and the resources needed to implement the rule effective October 1, 2022.

((23)) (24) Within amounts appropriated in this section, the department on behalf of the forest practices board must provide an update to the natural resource policy committees of the legislature on the progress of its projects, including progress made to address recommendations from the 2021 state auditor's report on the adaptive management program, by December 1, 2021, and December 1, 2022.

((24)) (25) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to grant to local law enforcement agencies to assist in enforcing vessel registration laws. Funding is also provided for a pilot recycling project with a nonprofit maritime education center that has the capacity to coordinate with a local port and local businesses that can accommodate vessel waste material.

((25)) (26) Within amounts appropriated in this section, the department, acting in its capacity as the agency responsible for implementing Washington state's section 10 permit under the endangered species act for aquatic species, and for ensuring maintenance of clean water act assurances granted by the department of ecology, must report to the legislature by no later than June 30, 2022, on the status of forest practices board activities related to: (a) Permanent water typing rulemaking and associated board manual development and (b) rulemaking and associated board manual development regarding the protection of type N streams.

((26)) (27) Within amounts appropriated in this section, the department, in collaboration with motorized and nonmotorized outdoor recreation stakeholders, must submit to the appropriate committees of the legislature recommendations for the use of NOVA account appropriations, by September 30, 2022.

((27)) (28) \$2,336,000 of the general fund—state appropriation for fiscal year 2022 and \$1,591,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5141 (environmental justice task force recommendations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(28) \$180,000) (29) \$36,000 of the general fund—state appropriation for fiscal year 2022 and (((\$4,000)) \$36,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5253 (pollinator health). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(29) \$34,000) (30) \$180,000 of the general fund—state appropriation for fiscal year 2022 and (((\$8,000)) \$4,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5452 (electric-assisted bicycles). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.

(30)) (31) \$1,765,000 of the general fund—state appropriation

for fiscal year 2023 is provided solely for the department to:

(a) Replace the statewide forest practices permit database system. Funding is subject to the conditions, limitations, and review requirements of section 701 of this act; and

(b) Provide a recommendation for ways that the forest products industry could help cover the cost of the new forest practice online system. The recommendation must include proposed changes to the fees that are paid for forest practice applications and notifications, as well as a description and table that illustrates the operating costs of the program and how those costs are covered by fund source including fee revenue. The recommendation must be reported to the fiscal committees of the legislature by December 1, 2021, and may be included as a decision package to the office of financial management for consideration in the governor's proposed 2022 supplemental operating budget.

((31)) (32) \$225,000 of the general fund—state appropriation for fiscal year 2022 and \$225,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to implement a pilot project to evaluate the costs and benefits of entering into such stewardship agreements with individual neighboring landowners who would take on the responsibility for protecting small segments of shared boundary with department managed lands. The pilot project must include identifying the legal limits and bounds of such stewardship agreements, identifying suitable areas, preparing and entering into shared stewardship agreements, and evaluating the costs and benefits of these agreements.

(a) The pilot project evaluation must include:

(i) A determination of an appropriate mechanism for the sale of valuable materials from state trust lands harvested under a stewardship agreement;

(ii) Identification of regulatory constraints, staffing levels necessary to administer a statewide program, and other limitations; and

(iii) Identification of legal risk and insurance and indemnification requirements that may be necessary on the part of private individuals entering into these agreements.

(b) The pilot project must include agreements on at least the Teanaway or Klickitat Community Forests and on state trust lands in the vicinity of the town of Darrington, Washington. The department of natural resources must work with affected stakeholders and report to the appropriate committees of the legislature with the results of the pilot project and any recommendations for changes and statewide implementation by July 1, 2023.

((32)) (33) \$134,000 of the general fund—state appropriation for fiscal year 2022 and \$134,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to grant non-tribal outcome-based performance participation grants for implementation of the forest practices adaptive management program. Of the amounts provided in this subsection, \$54,000 per fiscal year is provided for grants to the Washington farm forestry association and \$80,000 per fiscal year is provided for grants to the Washington state association of counties.

(34) \$488,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of chapter 316, Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5126) (climate commitment act).

(35) \$3,481,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to collect and refresh statewide lidar data.

(36) Within amounts appropriated in this section, the department must improve performance of the forest practices adaptive management program by implementing recommendations made by the state auditor's office in its January

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2021 performance audit of the program.

(37) \$450,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to conduct a targeted analysis of the current and projected impact from drought and opportunities for drought resilience on department owned and managed uplands and agricultural lands.

(38) \$225,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to hire a watershed steward to expedite salmon recovery actions and projects, including education, with a primary focus on agency owned and managed uplands and aquatic lands.

(39)(a) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a pilot project to improve salmon habitat across the department's aquatic, commercial, industrial, and agricultural lands. Of the amount provided in this subsection:

(i) \$2,000,000 is provided solely to improve nearshore habitat by accelerating restoration of state-owned aquatic lands; and

(ii) \$3,000,000 is provided solely to improve riparian function, including riparian planting and riparian set-asides on state-owned lands.

(b) The department must consult with federally recognized tribes and partner with relevant state agencies and local governments in implementing this pilot.

(c) The department must provide a report on the cost, monitoring, and effectiveness of investments in salmon habitat improvements to the office of financial management and the appropriate committees of the legislature by June 30, 2023.

(40) \$5,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to address the maintenance backlog associated with providing recreation on lands managed by the department. Allowable uses include, but are not limited to, maintenance, repair, or replacement of trails, toilet facilities, roads, campgrounds, picnic sites, water access areas, signs, kiosks, and gates. The department is encouraged to partner with nonprofit organizations in the maintenance of public lands.

(41) \$4,284,000 of the derelict vessel removal account—state appropriation is provided solely for implementation of House Bill No. 1700 (derelict vessel removal). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(42) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$450,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the purpose of establishing demonstration areas for wildfire ready neighbors, a wildland fire resiliency outreach, assessment, and education program, in portions of Pierce, Mason, and Thurston counties. Wildfire ready neighbor demonstration areas must be located where there is a demonstrated high risk of wildland fire, a mix of suburban and small private forestland ownership, and significant areas of wildland urban interface. Further, demonstration areas must be selected by employing principles of environmental justice and equity, with an effort to select areas for inclusion that have a significant proportion of vulnerable populations and "highly impacted communities" as defined by RCW 19.405.020.

(43) The department, in coordination with the office of the superintendent of public instruction, must provide recommendations on the development of an outdoor school at the site of the Naselle youth camp. The department must consider, at a minimum, the suitability of the current facilities, operating and capital budget needs and estimated costs, any potential transfers of land ownership or management, partnership opportunities, and other potential procedural or operational challenges and proposed solutions. The department must submit a proposal to the appropriate committees of the legislature by December 31, 2022.

(44) \$5,000,000 of the salmon recovery account—state

appropriation is provided solely for the department to purchase easements under the forestry riparian easement program, pursuant to RCW 76.13.120.

(45) \$1,149,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the implementation of Second Substitute Senate Bill No. 5619 (kelp & eelgrass conservation). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(46) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to continue convening the work group pertaining to making improvements to the trust land transfer program. Of the amount provided in this subsection, up to \$75,000 may be used for completing a trust land transfer project in Jefferson county.

(47) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to provide a grant to a nonprofit organization that will offer environmental education and career development skills training in nature for youth and young adults from south King county.

(48)(a) \$10,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to purchase state forestland, as described in RCW 79.22.010, to begin a program to benefit counties who have lost revenue from existing state forestlands encumbered by wildlife species listed as endangered or threatened by the federal endangered species act. The department must transfer the appropriated amount into the natural resources real property replacement account in accordance with RCW 79.17.210 to purchase state forestlands.

(b) Of the amounts provided in this subsection:

(i) \$5,000,000 must be used to purchase state forestland for the benefit of Clallam county and Jefferson county; and

(ii) \$5,000,000 must be used to purchase state forestland for the benefit of Pacific county, Skamania county, and Wahkiakum county.

(c) The purchased forestlands shall be owned and managed by the department as state forest transfer lands and shall be placed in trust for the benefit of the counties. The purchase of these state forestlands is not limited to lands within the geographic bounds of the counties listed in this subsection.

(d) The purchase of state forestlands must be made in concurrence with the Washington state association of counties before a transaction is finalized.

(e) The department shall work with the Washington state association of counties to determine if any statutory changes are necessary to address issues regarding beneficiary revenue distribution or any other fiscal matters related to state forestlands. The department and the Washington state association of counties shall report to the legislature on any needed statutory changes by December 31, 2022.

(49) \$2,000,000 of the salmon recovery account—state appropriation is provided solely for an increase in the Puget Sound corp program to employ work crews statewide to carry out aquatic recreation, natural areas, resource protection, and urban forestry projects.

(50) \$167,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to advance research and cooperation with governmental agencies of Finland and Finnish organizations to implement sustainable forestry practices. The department must report to the appropriate committees of the legislature, by June 30, 2023, on how the funding was used, what kinds of research and cooperation were accomplished, and make recommendations for further opportunities for collaboration.

Sec. 311. 2021 c 334 s 311 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

General Fund—State Appropriation (FY 2022)	((21,046,000))
	<u>\$28,418,000</u>
General Fund—State Appropriation (FY 2023)	((20,632,000))
	<u>\$43,910,000</u>
General Fund—Federal Appropriation	((35,878,000))
	<u>\$40,631,000</u>
General Fund—Private/Local Appropriation	\$193,000
Aquatic Lands Enhancement Account—State Appropriation	((2,692,000))
	<u>\$2,743,000</u>
Water Quality Permit Account—State Appropriation	\$73,000
Model Toxics Control Operating Account—State Appropriation	((9,410,000))
	<u>\$9,545,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2022)	((621,000))
	<u>\$628,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2023)	((627,000))
	<u>\$635,000</u>
Northeast Washington Wolf-Livestock Management Nonappropriated Account—State Appropriation	((952,000))
	<u>\$1,042,000</u>
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	((90,000,000))
	<u>\$148,045,000</u>
TOTAL APPROPRIATION	((182,124,000))
	<u>\$275,863,000</u>

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

(1) ((45,000,000)) \$103,045,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely to develop a state alternative to the United States department of agriculture farmers to families food box program and provide resources for hunger relief organizations, including organizations that serve BIPOC and other socially disadvantaged communities.

(2) \$5,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for the farm-to-school program under RCW 15.64.060.

(3) \$8,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for local food system infrastructure and market access grants, prioritized for women, minority, and small business owners.

(4) \$9,000,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for a grant program to improve food supply chain infrastructure and market access for farms, food processors, and food distributors.

(5)(a) \$90,000 of the general fund—state appropriation for fiscal year 2022 and \$90,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to coordinate with the office of equity, the conservation commission, underrepresented farmers and ranchers, organizations that represent historically underrepresented farmers and ranchers, farmworkers, and labor advocates to:

(i) Ensure inclusion of historically underrepresented farmers and ranchers in the agricultural industry;

(ii) Evaluate related boards, commissions, and advisory panels to ensure inclusion of historically underrepresented farmers and ranchers;

(iii) Include historically underrepresented farmers and ranchers in the development, implementation, and enforcement of food and agriculture laws, rules, regulations, policies, and programs; and

(iv) Consider ways to increase engagement in agricultural education and workforce development opportunities by communities who have been historically underrepresented in agriculture.

(b) The department must report to the governor and legislature, in accordance with RCW 43.01.036, by October 31, 2022, on its activities and efforts to include historically underrepresented farmers and ranchers. The report must describe the department's efforts to serve historically underrepresented farmers and ranchers, identify existing gaps and financial barriers to land ownership and obtaining equipment, and must include recommendations to improve outreach to and services for historically underrepresented farmers and ranchers.

(6) ((203,000)) \$4,936,000 of the general fund—state appropriation for fiscal year 2022 and ((203,000)) \$938,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementing a Japanese beetle monitoring and eradication program in central Washington.

(7) ((6,105,445)) \$6,605,445 of the general fund—state appropriation for fiscal year 2022, ((6,105,905)) \$23,230,905 of the general fund—state appropriation for fiscal year 2023, and \$23,000,000 of the coronavirus state fiscal recovery fund—federal appropriation are provided solely for implementing the emergency food assistance program as defined in RCW 43.23.290.

(8) \$170,000 of the general fund—state appropriation for fiscal year 2022 and \$170,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to continue a shellfish coordinator position. The shellfish coordinator assists the industry with complying with regulatory requirements and will work with regulatory agencies to identify ways to streamline and make more transparent the permit process for establishing and maintaining shellfish operations.

(9) \$194,000 of the general fund—state appropriation for fiscal year 2022, \$194,000 of the general fund—state appropriation for fiscal year 2023, and \$1,134,000 of the general fund—federal appropriation are provided solely for implementing a Vespa mandarinia eradication program.

(10) ((952,000)) \$1,042,000 of the northeast Washington wolf-livestock management nonappropriated account—state appropriation is provided solely for the department to conduct the following:

(a) Fund the northeast Washington wolf-livestock management grant program as provided in RCW 16.76.020, at \$432,000 ((for fiscal year 2022 and fiscal year 2023)). Funds from the grant program must be used only for the deployment of nonlethal deterrence, specifically with the goal to reduce the likelihood of cattle being injured or killed by wolves by deploying proactive, preventative methods that have a good probability of producing effective results. Grant proposals will be assessed partially on this intent. Grantees who use funds for range riders or herd monitoring must deploy this tool in a manner so that targeted areas with cattle are visited daily or near daily. Grantees must collaborate with other entities providing prevention efforts resulting in coordinated wolf-livestock conflict deterrence efforts, both temporally and spatially, therefore providing well-timed and placed preventative coverage on the landscape. The department retains the final decision-making authority over disbursement of funds. Annual reports from grantees will be assessed for how well grant objectives were met and used to decide whether future grant funds will be awarded to past grantees.

(b) Contract with the northeast Washington wolf-cattle collaborative, a nonprofit organization, for ((320,000 for fiscal year 2022 and fiscal year 2023)) \$410,000 for range riders to conduct proactive deterrence activities with the goal to reduce the likelihood of cattle being injured or killed by wolves. The contract

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must provide that the organization share all relevant information with the department of fish and wildlife in a timely manner to aid in wolf management decisions. Additionally, range riders must document their activities with geo-referenced photo points and provide written description of their efforts to the department of fish and wildlife by December 31, 2021, and December 31, 2022. Work is to be conducted solely on United States forest service grazing allotments and adjoining private lands in the Kettle mountains in Ferry county. This includes an area from the northern boundary of the Colville Confederated Tribes reservation, west of the Columbia river north to state route 20, and then west of United States route 395 to the Canadian border, and from the northern boundary of the Colville Confederated Tribes reservation east of state highway 21 to the Canadian border. Also included are federal grazing allotments and adjoining private lands in the Vulcan mountain area, an area which is north of the Kettle river where it enters the United States at Midway, British Columbia and leaves the United States near Danville, Washington. Of the amount provided in this subsection, \$90,000 may be contracted for range rider deterrence activities in Pend Oreille, Stevens, or Ferry counties.

(c) Within the amounts provided in this subsection, the department must provide \$120,000 in fiscal year 2022 and \$80,000 in fiscal year 2023 to the sheriffs offices of Ferry and Stevens counties for providing a local wildlife specialist to aid the department of fish and wildlife in the management of wolves in northeast Washington.

(11) \$1,400,000 of the model toxics control operating account—state appropriation is provided solely for research grants to assist with development of an integrated pest management plan to find a suitable replacement for imidacloprid to address burrowing shrimp in Willapa bay and Grays harbor and facilitate continued shellfish cultivation on tidelands. In selecting research grant recipients for this purpose, the department must incorporate the advice of the Willapa-Grays harbor working group formed from the settlement agreement with the department of ecology signed on October 15, 2019. Up to eight percent of the total amount provided may be used by the departments of agriculture, commerce, ecology, and natural resources to cover overhead expenses relating to their continued participation in the working group for the 2021-2023 fiscal biennium.

(12) ((\$119,000)) \$323,000 of the general fund—state appropriation for fiscal year 2022 and ((\$25,000)) \$477,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5141 (environmental justice task force recommendations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(13) \$78,000 of the general fund—state appropriation for fiscal year 2022 and ((\$24,000)) \$276,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Second Substitute Senate Bill No. 5253 (pollinator health). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(14) \$2,000,000 of the general fund—federal appropriation, not to exceed the amount appropriated in section 11, chapter 3, Laws of 2021, that is unobligated at the end of fiscal year 2021, is provided solely to assist hunger relief organizations to achieve food security and is subject to the same terms and conditions as the appropriation in section 11, chapter 3, Laws of 2021.

(15) \$168,000 of the general fund—state appropriation for fiscal year 2022 and \$168,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department to assist small and midsize farms and small and midsize processors in exploring options to expand capacity for

processing meat or meat and poultry for sale and direct marketing efforts. In carrying out this duty, the department must:

(a) Assist farms in complying with federal, state, and local rules and regulations as they apply to direct marketing of meat and poultry products;

(b) Assist in developing infrastructure including, but not limited to, custom meat facilities and slaughter facilities inspected by the United States department of agriculture as appropriate to increase direct marketing opportunities for farms;

(c) Assist processors in complying with federal, state, and local rules and regulations as they apply to processing meat and poultry and the marketing of meat and poultry;

(d) Assist in developing, in consultation with Washington State University extension, training opportunities or apprenticeship opportunities for slaughterers or inspectors;

(e) Provide information on direct marketing opportunities for farms;

(f) Identify and help reduce market barriers facing farms in direct marketing;

(g) Identify and help reduce barriers facing processors in operating slaughter facilities;

(h) Assist in developing and submitting proposals to grant programs to assist farm direct marketing efforts; and

(i) Perform other functions that will assist farms in directly marketing their meat and poultry products.

(16) \$1,832,000 of the general fund—state appropriation for fiscal year 2022 and \$1,832,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the department, in consultation with the state conservation commission, to develop a grant program to provide funding to conservation districts or other entities to provide access to meat and poultry processing and inspection. In addition to other funding needs to provide access to meat and poultry processing and inspection, grant funding may be used to establish a mobile slaughter unit or to provide needed infrastructure to provide for the retail sale of meat or poultry. The department must conduct outreach to gain input from other entities, such as conservation districts, Washington State University and the food policy forum in developing the grant program described in this subsection.

(17) ((\$152,000)) \$156,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$213,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute Senate Bill No. 5192 (electric vehicle equipment). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(18) \$366,000 of the general fund—state appropriation for fiscal year 2022 and \$366,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to support the department's emergency management planning responsibilities related to agricultural systems, radiological preparedness and response, foodborne outbreaks, food security, and other emergency management responsibilities.

(19) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for rulemaking for a voluntary cannabis certification program that is consistent with the department's existing organics program, as authorized by chapter 317, Laws of 2017 (ESSB 5131).

(20) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a community-based organization in Whatcom county for the food and farm finder program, which connects local food producers with retail and wholesale consumers.

(21) \$81,000 of the general fund—state appropriation for fiscal year 2022 and \$139,000 of the general fund—state appropriation

for fiscal year 2023 are provided solely for a hemp in food task force and a hemp commission task force.

(a) Of the amounts provided in this subsection, \$75,000 in fiscal year 2022 and \$125,000 in fiscal year 2023 are for a hemp in food task force. The department must appoint task force members representing relevant state agencies, the scientific community, and stakeholder organizations. The department must provide staff support for the task force and contract for relevant scientific expertise. The department must report to the appropriate committees of the legislature with recommendations for the regulation of hemp in food by December 1, 2022.

(b) Of the amounts provided in this subsection, \$6,000 in fiscal year 2022 and \$14,000 in fiscal year 2023 are for a hemp commission task force. The department must appoint task force members representing relevant state agencies, the scientific community, and stakeholder organizations, including the hemp industry. The department must provide staff support for the task force. The department must report to the appropriate committees of the legislature with recommendations for the creation of a commodity commission for hemp by December 1, 2022.

(22) \$790,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of House Bill No. 1859 (cannabis analysis labs). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(23) \$301,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1799 (organic materials management). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(24) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to support local and regional markets and for agricultural infrastructure development in southwest Washington.

(25) \$9,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5544 (blockchain work group). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(26) \$9,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5974 (transportation resources). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 312. A new section is added to 2021 c 334 (uncodified) to read as follows:

FOR THE ENERGY FACILITY SITE EVALUATION COUNCIL

General Fund—State Appropriation (FY 2023)	\$776,000
Energy Facility Site Evaluation Council Account—Private/Local Appropriation	\$13,116,000
TOTAL APPROPRIATION	\$13,892,000

The appropriations in this section are subject to the following conditions and limitations: \$208,000 of the general fund—state appropriation for fiscal year 2023 and \$8,333,000 of the energy facility site evaluation council account—private/local appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 1812 (energy facility site council). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

**PART IV
TRANSPORTATION**

Sec. 401. 2021 c 334 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund—State Appropriation (FY 2022)	(\$2,901,000)
	\$3,005,000

General Fund—State Appropriation (FY 2023)	(\$2,585,000)
	\$3,367,000
Architects' License Account—State Appropriation	(\$1,263,000)
	\$1,372,000
Real Estate Commission Account—State Appropriation	(\$13,532,000)
	\$14,550,000
Uniform Commercial Code Account—State Appropriation	(\$3,121,000)
	\$3,256,000
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	(\$1,876,000)
	\$2,006,000
Business and Professions Account—State Appropriation	(\$23,882,000)
	\$25,871,000
Real Estate Research Account—State Appropriation	\$415,000
Firearms Range Account—State Appropriation	\$74,000
Funeral and Cemetery Account—State Appropriation	\$25,000
Landscape Architects' License Account—State Appropriation	(\$80,000)
	\$87,000
Appraisal Management Company Account—State Appropriation	(\$256,000)
	\$264,000
Concealed Pistol License Renewal Notification Account—State Appropriation	\$140,000
Geologists' Account—State Appropriation	\$149,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
TOTAL APPROPRIATION	(\$50,583,000)
	\$54,890,000

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

(1) \$140,000 of the concealed pistol license renewal notification account—state appropriation and \$74,000 of the firearms range account—state appropriation are provided solely to implement chapter 74, Laws of 2017 (concealed pistol license).

(2) \$16,000 of the general fund—state appropriation for fiscal year 2022, \$9,000 of the general fund—state appropriation for fiscal year 2023, \$13,000 of the architects' license account—state appropriation, \$121,000 of the real estate commission account—state appropriation, \$22,000 of the uniform commercial code account—state appropriation, \$16,000 of the real estate appraiser commission account—state appropriation, and \$227,000 of the business and professions account—state appropriation are provided solely for the department to redesign and improve its online services and website, and are subject to the conditions, limitations, and review requirements of section 701 of this act.

(3) The department shall inventory all business and professions fees and associated accounts including identification of all fees paid into each account, the amount and timing of the last fee increase, the estimated expenditures necessary to administer each fee based program, and the projected fee changes necessary to ensure positive account balances for each business and professions program account. The projection should include the period beginning with the 2021-2023 fiscal biennium through the 2025-2027 biennium. A report to the governor and legislature is due December 1, 2021.

(4) \$157,000 of the uniform commercial code account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5355 (wage liens). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection

shall lapse.)

(5) \$267,000 of the real estate commission account—state appropriation is provided solely to implement Substitute Senate Bill No. 5378 (real estate broker renewal). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)

(6) \$808,000 of the general fund—state appropriation for fiscal year 2022 and \$551,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the continued implementation of the legacy firearms system until the modernization project is completed.

(7) \$28,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to implement Substitute House Bill No. 1107 (nonresident vessel permit provisions). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)

(8) \$30,000 of the architects' license account—state appropriation, \$297,000 of the real estate commission account—state appropriation, \$50,000 of the real estate appraiser commission account—state appropriation, and \$514,000 of the business and professions account—state appropriation are provided solely for implementation of House Bill No. 1399 (professional licensure/convictions). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(9) \$537,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 2076 (transp. network companies). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 402. 2021 c 334 s 402 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

General Fund—State Appropriation	(FY 2022)	
		(((\$59,974,000))
		<u>\$66,750,000</u>
General Fund—State Appropriation	(FY 2023)	
		(((\$60,590,000))
		<u>\$68,712,000</u>
General Fund—Federal Appropriation		(((\$16,707,000))
		<u>\$16,766,000</u>
General Fund—Private/Local Appropriation		\$3,091,000
Death Investigations Account—State	Appropriation	(((\$7,906,000))
		<u>\$8,794,000</u>
County Criminal Justice Assistance	Account—State	(((\$4,533,000))
Appropriation		<u>\$4,622,000</u>
Municipal Criminal Justice Assistance	Account—State	(((\$1,637,000))
Appropriation		<u>\$1,681,000</u>
Fire Service Trust Account—State	Appropriation	\$131,000
Vehicle License Fraud Account—State	Appropriation	\$119,000
Disaster Response Account—State	Appropriation	(((\$8,500,000))
		<u>\$12,500,000</u>
Fire Service Training Account—State	Appropriation	(((\$12,297,000))
		<u>\$12,797,000</u>
Model Toxics Control Operating	Account—State	(((\$567,000))
Appropriation		<u>\$591,000</u>
Fingerprint Identification Account—State	Appropriation	(((\$12,617,000))

\$12,956,000

Dedicated Marijuana Account—State Appropriation		
(FY 2022)		\$2,423,000
Dedicated Marijuana Account—State Appropriation		
(FY 2023)		\$2,423,000
Washington Internet Crimes Against Children Account—State	Appropriation	\$1,000,000
TOTAL APPROPRIATION		(((\$194,515,000))
		<u>\$215,356,000</u>

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

(1) (((\$8,500,000)) \$12,500,000 of the disaster response account—state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(2) \$2,423,000 of the dedicated marijuana account—state appropriation for fiscal year 2022 and \$2,423,000 of the dedicated marijuana account—state appropriation for fiscal year 2023 are provided solely for the Washington state patrol to partner with multi-jurisdictional drug and gang task forces to detect, deter, and dismantle criminal organizations involved in criminal activity including diversion of ((marijuana)) cannabis from the legalized market and the illicit production and distribution of ((marijuana)) cannabis and ((marijuana)) cannabis-related products in Washington state.

(3) \$643,000 of the general fund—state appropriation for fiscal year 2022 and \$643,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for addressing a backlog of toxicology tests in the toxicology laboratory.

(4) \$356,000 of the general fund—state appropriation for fiscal year 2022, \$356,000 of the general fund—state appropriation for fiscal year 2023, and \$298,000 of the death investigations account—state appropriations are provided solely for increased supply and maintenance costs for the crime laboratory division and toxicology laboratory division.

(5) \$510,000 of the county criminal justice assistance account—state appropriation is provided solely for the Washington state patrol to support local police, sheriffs' departments, and multiagency task forces in the prosecution of criminals. However, the office of financial management must reduce the allotment of the amount provided in this subsection if allotment of the full appropriation will put the account into deficit.

(6)(a) (((\$700,000)) \$1,000,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

(b) The joint apprenticeship training committee shall submit a report to the fiscal committees of the legislature by December 1, 2022, describing how the funding appropriated in this section was spent during the biennium. At a minimum, the report shall include information about the number of individuals that completed the training, the level of training or type of training being taught, the total cost of training everyone through completion, the percentage of passage rate for trainees, and the geographic location of the fire department sponsoring the trainee.

(7) \$316,000 of the general fund—state appropriation for fiscal year 2023 and \$1,000,000 of the Washington internet crimes against children account—state appropriation are provided solely for the missing and exploited children's task force within the patrol to help prevent possible abuse to children and other

vulnerable citizens from sexual abuse.

(8) \$1,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Substitute Senate Bill No. 5055 (law enforcement grievances), which changes methods for selecting an arbitrator for labor disputes involving law enforcement disciplinary matters. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$213,000 of the general fund—state appropriation for fiscal year 2022 and \$163,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Substitute House Bill No. 1223 (custodial interrogations). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(10) \$1,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of Engrossed Substitute House Bill No. 1054 (peace officer tactics and equipment). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(11) \$2,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1310 (use of force). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(12) \$1,334,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$2,373,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for facility and staff costs associated with construction of a second toxicology laboratory facility in Federal Way. The Washington state patrol must provide a report on the progress of the toxicology lab construction semiannually to the fiscal committees of the legislature with a final report due 90 days after completion of the project. The report must include, but is not limited to:

- (a) A detailed list of expenditures so far;
- (b) A detailed list of expenditure yet to be made before the completion of the project;
- (c) An updated project timeline with expected end date; and
- (d) Other project details that the Washington state patrol finds important to relay.

(13) \$213,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the Washington state patrol to outsource death investigation cases to reduce the current backlog of cases awaiting toxicology testing.

(14) \$1,320,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for an enhanced forensic capabilities pilot program that provides expedited DNA technology and forensic services to assist in the processing of crime scene evidence, expediting investigative leads, and reducing the backlog of other cases. ((Prior to the purchase of the DNA technology and forensic services for the pilot program, the Washington state patrol must submit a plan to the legislature no later than December 31, 2021, that addresses the following operational issues of the program:)) To ensure readiness to proceed with implementation, the Washington state patrol must identify needed resources, complete pre-hiring, and develop a competitive procurement process by July 1, 2022. The Washington state patrol must complete a preliminary report by December 2, 2022, describing major milestones and achievements of the program to date and submit a final report to the appropriate committees of the legislature by June 30, 2023. The preliminary report must include, but is not limited to, the following:

- (a) Protocols on the operation and use of the program while maintaining civil liberties and protecting individual privacy;
- (b) A description of how expedited DNA technology and

forensic services will tie into the current operations of the state patrol's existing crime lab; and

(c) Details of how the Washington state patrol will protect individual privacy and civil liberties in relation to the program described in this subsection.

(15) \$94,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 2057 (state patrol workforce). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(16) \$191,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1725 (missing indigenous persons). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(17) \$330,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1735 (peace officers/use of force). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(18) \$638,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5880 (fire sprinkler contractors). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(19) \$1,655,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Senate Bill No. 5983 (cannabinoid products). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(20) \$441,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to process the backlog of court orders and dispositions. By June 30, 2023, the department must provide a report to the appropriate legislative committees that describes any continued staffing needs for this purpose.

(21) \$1,000 of the general fund—state appropriation for fiscal year 2023 is for implementation of Engrossed Fourth Substitute House Bill No. 1412 (legal financial obligations).

PART V EDUCATION

Sec. 501. 2021 c 334 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State	Appropriation	(FY 2022)	(\$31,237,000))
			<u>\$31,995,000</u>
General Fund—State	Appropriation	(FY 2023)	((\$30,769,000))
			<u>\$41,420,000</u>
General Fund—Federal Appropriation			((\$105,917,000))
			<u>\$106,299,000</u>
General Fund—Private/Local Appropriation			((\$8,060,000))
			<u>\$8,064,000</u>
Washington Opportunity Pathways Account—State Appropriation			((\$265,000))
			<u>\$8,609,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2022)			\$520,000
Dedicated Marijuana Account—State Appropriation (FY 2023)			((\$533,000))
			<u>\$550,000</u>
Performance Audits of Government Account—State Appropriation			\$213,000
Workforce Education Investment Account—State Appropriation			((\$3,812,000))

	<u>\$7,420,000</u>
Elementary and Secondary School Emergency Relief III Account—Federal Appropriation	((\$4,631,000))
	<u>\$7,116,000</u>
TOTAL APPROPRIATION	((\$185,957,000))
	<u>\$212,206,000</u>

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

(1) BASE OPERATIONS AND EXPENSES OF THE OFFICE

(a) ((\$14,470,000)) \$15,228,000 of the general fund—state appropriation for fiscal year 2022 and ((\$14,486,000)) \$17,635,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) The superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(iii) By October 31st of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in section 501, chapter 415, Laws of 2019 and sections 515 and 522 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, a comparison of budgeted funding and actual expenditures, other sources and amounts of funding, and proviso outcomes and achievements.

(iv) The superintendent of public instruction, in consultation with the secretary of state, shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

(v) Districts shall annually report to the office of the superintendent of public instruction on: (A) The annual number of graduating high school seniors within the district earning the Washington state seal of biliteracy provided in RCW 28A.300.575; and (B) the number of high school students earning competency-based high school credits for world languages by demonstrating proficiency in a language other than English. The office of the superintendent of public instruction shall provide a summary report to the office of the governor and the appropriate committees of the legislature by December 1st of each year.

(vi) The office of the superintendent of public instruction shall provide statewide oversight and coordination to the regional nursing corps program supported through the educational service districts.

(vii) Within the amounts provided in this subsection (1)(a), \$318,000 of the general fund—state appropriation for fiscal year 2022 and \$310,000 of the general fund—state appropriation for fiscal year 2023 are for 2.0 FTE to support multi-tiered systems of support (MTSS) data management and implementation activities.

(viii) Within the amounts provided in this subsection (1)(a), \$79,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for a contract to assess the feasibility, specifications, and cost estimates for full development and implementation of a MTSS database.

(ix) Within the amounts provided in this subsection (1)(a),

\$53,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a contract with regional and/or national experts to train the MTSS staff and staff from the center on the improvement of student learning on MTSS implementation science and evidence-based practices as distinct but complementary to the Washington integrated student supports protocol.

(x) Within amounts provided in this subsection (1)(a), \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a climate science curriculum staff position within the office of the superintendent of public instruction and to integrate climate change content into the Washington state learning standards across subject areas and grade levels. The office shall develop materials and resources that accompany the updated learning standards that encourage school districts to develop interdisciplinary units focused on climate change that include authentic learning experiences, that integrate a range of perspectives, and that are action oriented.

(xi) Within the amounts provided in this subsection (1)(a), sufficient funding is provided for the office to implement House Bill No. 1833 (school meals/electronic info).

(xii) Within the amounts provided in this subsection (1)(a), sufficient funding is provided for the office to implement House Bill No. 1834 (student absences/mental health).

(xiii) Within the amounts provided in this subsection (1)(a), \$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to provide an annual report to the appropriate committees of the legislature and the office of the governor beginning January 1, 2023, and on January 1st of each year thereafter, on special education students receiving services outside of the state of Washington. At a minimum, the report must contain the following data:

(A) The number of Washington K-12 education students enrolled in special education services that have been moved to out-of-state facilities/schools to receive their Washington state funded education;

(B) The district that had previously served each student prior to relocation;

(C) The current location/facility where the student is now enrolled and receiving services; and

(D) The annual cost, and the per pupil cost of each student receiving services outside of the state.

(b) \$1,217,000 of the general fund—state appropriation for fiscal year 2022 and \$1,217,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for maintenance of the apportionment system, including technical staff and the data governance working group.

(c) \$494,000 of the general fund—state appropriation for fiscal year 2022 and \$494,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(d) \$61,000 of the general fund—state appropriation for fiscal year 2022 and \$61,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(e) \$61,000 of the general fund—state appropriation for fiscal year 2022 and ((\$61,000)) \$96,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(f) ((\$265,000)) \$268,000 of the Washington opportunity pathways account—state appropriation is provided solely for

activities related to public schools other than common schools authorized under chapter 28A.710 RCW.

(g) Within amounts appropriated in this section, the office of the superintendent of public instruction and the state board of education shall adopt a rule that the minimum number of students to be used for public reporting and federal accountability purposes is ten.

(h) \$123,000 of the general fund—state appropriation for fiscal year 2022 and \$123,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

(i) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

(j) \$14,000 of the general fund—state appropriation for fiscal year 2022 and \$14,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 242, Laws of 2013 (state-tribal education compacts).

(k) \$131,000 of the general fund—state appropriation for fiscal year 2022, \$131,000 of the general fund—state appropriation for fiscal year 2023, and \$213,000 of the performance audits of government account—state appropriation are provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs, dropout reengagement programs, and other high risk programs. Findings from the program reviews will be used to support and prioritize the office of the superintendent of public instruction outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

(l) \$117,000 of the general fund—state appropriation for fiscal year 2022 and \$117,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 3, Laws of 2015 1st sp. sess. (computer science).

(m) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 237, Laws of 2017 (paraeducators).

(n) \$385,000 of the general fund—state appropriation for fiscal year 2022 and \$385,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of native education to increase services to tribes, including but not limited to, providing assistance to tribes and school districts to implement Since Time Immemorial, applying to become tribal compact schools, convening the Washington state native American education advisory committee, and extending professional learning opportunities to provide instruction in tribal history, culture, and government. The professional development must be done in collaboration with school district administrators and school directors. Funding in this subsection is sufficient for the office, the Washington state school directors' association government-to-government task force, and the association of educational service districts to collaborate with the tribal leaders congress on education to develop a tribal consultation training and schedule. The tribal consultation training and schedule must be developed by January 1, 2022.

(o) \$205,000 of the general fund—state appropriation for fiscal year 2022 and ((\$205,000)) \$1,205,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to promote

the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership. The amounts provided in this subsection are sufficient for implementation of Second Substitute Senate Bill No. 5720 (student financial literacy). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(p) \$75,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state.

(q) \$481,000 of the general fund—state appropriation for fiscal year 2022 and \$481,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(r) Districts shall report to the office the results of each collective bargaining agreement for certificated staff within their district using a uniform template as required by the superintendent, within thirty days of finalizing contracts. The data must include but is not limited to: Minimum and maximum base salaries, supplemental salary information, and average percent increase for all certificated instructional staff. Within existing resources by December 1st of each year, the office shall produce a report for the legislative evaluation and accountability program committee summarizing the district level collective bargaining agreement data.

(s) \$4,631,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(4), the American rescue plan act of 2021, P.L. 117-2 is provided solely for administrative costs related to the management of federal funds provided for COVID-19 response and other emergency needs.

(t) \$70,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of the superintendent of public instruction to provide centralized support and coordination, including supervision and training, for social workers hired by or contracting with school districts.

(u) \$2,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5764 (apprenticeships and higher ed). If this bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(2) DATA SYSTEMS

(a) \$1,802,000 of the general fund—state appropriation for fiscal year 2022 and \$1,802,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(b) \$281,000 of the general fund—state appropriation for fiscal year 2022 and \$281,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) \$450,000 of the general fund—state appropriation for fiscal year 2022 and \$450,000 of the general fund—state appropriation for fiscal year 2023 are provided for the superintendent of public instruction to develop and implement a statewide accountability system to address absenteeism and to improve student graduation

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rates. The system must use data to engage schools and districts in identifying successful strategies and systems that are based on federal and state accountability measures. Funding may also support the effort to provide assistance about successful strategies and systems to districts and schools that are underperforming in the targeted student subgroups.

(3) WORK GROUPS

(a) \$335,000 of the general fund—state appropriation for fiscal year 2022 and \$335,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 206, Laws of 2018 (career and college readiness).

(b) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided for the office of the superintendent of public instruction to meet statutory obligations related to the provision of medically and scientifically accurate, age-appropriate, and inclusive sexual health education as authorized by chapter 206, Laws of 1988 (AIDS omnibus act) and chapter 265, Laws of 2007 (healthy youth act).

(c) \$118,000 of the general fund—state appropriation for fiscal year 2022 and \$118,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 75, Laws of 2018 (dyslexia).

(d) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 386, Laws of 2019 (social emotional learning).

(e) \$130,000 of the general fund—state appropriation for fiscal year 2022 and \$130,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to collaborate with the department of children, youth, and families to complete a report with options and recommendations for administrative efficiencies and long term strategies that align and integrate high-quality early learning programs administered by both agencies and consistent with implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). The report, due September 1, 2022, shall address capital needs, data collection and data sharing, licensing changes, quality standards, options for community-based and school-based settings with inclusive facilities and operations, fiscal modeling, and any statutory changes needed to achieve administrative efficiencies.

(f) \$107,000 of the general fund—state appropriation for fiscal year 2022 and \$107,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to support the children and youth behavioral health work group created in chapter 130, Laws of 2020 (child. mental health wk. grp).

(g) \$310,000 of the general fund—state appropriation for fiscal year 2022 and \$249,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the development and implementation of a language access technical assistance program for school districts and to reconvene an expanded work group under section 2, chapter 256, Laws of 2019. The activities of and resources provided by the language access technical assistance program must align with the recommendations in the October 2020 report of the language access work group created by section 2, chapter 256, Laws of 2019 in order to improve awareness and fulfillment of language access rights for families in educational settings. The work group under this subsection shall, by December 1, 2021, report to the appropriate committees of the legislature recommendations for standards, training, testing, and credentialing for spoken and sign language interpreters for students' families and for collecting information related to language access services in schools and school districts. Within the amounts provided in this subsection, the office must

provide a report to the appropriate committees of the legislature by December 1, 2021. The report shall include, at a minimum, information regarding the different languages in which students and students' families prefer to communicate by each school district.

(h)(i) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the superintendent of public instruction to convene a work group to identify trauma informed strategies, approaches, and curricula for supporting students in distress and with challenging behaviors that prioritize relational safety. Stipends may be provided for work group members who are representing families and individuals as experts with lived experiences to compensate for time and travel to meetings. The work group at a minimum must include the following:

(A) One representative from the department of children, youth, and families with expertise on inclusion, equitable access, trauma informed practices, and relational safety in education settings;

(B) One representative from an organization representing youth with intellectual and developmental disabilities;

(C) Individuals representing youth with communication disorders, students or young adults who have lived experience with restraint and isolation, and students or adults who are survivors of the school-to-prison pipeline;

(D) One representative from an organization working to eliminate racial inequities in education;

(E) One representative from an organization working to eliminate disparities for families and students with a native language other than English;

(F) One representative from an organization working to improve inclusive practices in Washington that works with families and communities;

(G) One member of an organization representing youth in foster care;

(H) One member of an organization representing youth experiencing homelessness; and

(I) An administrator, teacher, and paraeducator professional with experience working in or around a self-contained behavior program.

(ii) The work group shall submit a report to the education committees of the legislature, the governor's office, and the education ombuds by December 1, 2022. The report must include a list of approved crisis response protocols and deescalation techniques for schools that are trauma informed and prioritize relational safety, recommended elements needed to improve access to mental health supports for all students, building-based strategies to enhance fidelity to multi-tiered systems of support and student behavior plans for students with challenging behaviors and strategies to track and reduce/eliminate restraint and isolation use, and best practices for implementation of identified strategies, with recommendations for district compliance and tracking mechanisms.

(4) STATEWIDE PROGRAMS

(a) \$2,590,000 of the general fund—state appropriation for fiscal year 2022 and \$2,590,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington kindergarten inventory of developing skills. State funding shall support statewide administration and district implementation of the inventory under RCW 28A.655.080.

(b) \$703,000 of the general fund—state appropriation for fiscal year 2022 and \$703,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 72, Laws of 2016 (educational opportunity gap).

(c) \$950,000 of the general fund—state appropriation for fiscal year 2022 and \$950,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington

reading corps. The superintendent shall allocate reading corps members to schools identified for comprehensive or targeted support and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(d) \$10,000 of the general fund—state appropriation for fiscal year 2022 and \$10,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for chapter 102, Laws of 2014 (biliteracy seal).

(e)(i) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for school bullying and harassment prevention activities.

(ii) \$15,000 of the general fund—state appropriation for fiscal year 2022 and \$15,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 240, Laws of 2016 (school safety).

(iii) \$570,000 of the general fund—state appropriation for fiscal year 2022 and \$570,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to provide statewide support and coordination for the regional network of behavioral health, school safety, and threat assessment established in chapter 333, Laws of 2019 (school safety and well-being). Within the amounts provided in this subsection (4)(e)(iii), \$200,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for grants to schools or school districts for planning and integrating tiered suicide prevention and behavioral health supports. Grants must be awarded first to districts demonstrating the greatest need and readiness. Grants may be used for intensive technical assistance and training, professional development, and evidence-based suicide prevention training.

(iv) \$196,000 of the general fund—state appropriation for fiscal year 2022 and \$196,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the school safety center within the office of the superintendent of public instruction.

(A) Within the amounts provided in this subsection (4)(e)(iv), \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a school safety program to provide school safety training for all school administrators and school safety personnel. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety.

(B) Within the amounts provided in this subsection (4)(e)(iv), \$96,000 of the general fund—state appropriation for fiscal year 2022 and \$96,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for administration of the school safety center. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, review and approve manuals and curricula used for school safety models and training, and maintain a school safety information web site.

(f)(i) \$162,000 of the general fund—state appropriation for fiscal year 2022 and \$162,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for youth suicide prevention activities.

(ii) \$76,000 of the general fund—state appropriation for fiscal year 2022 and \$76,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 64, Laws of 2018 (sexual abuse of students).

(g)(i) \$280,000 of the general fund—state appropriation for

fiscal year 2022, \$280,000 of the general fund—state appropriation for fiscal year 2023, and (((\$1,053,000)) \$1,070,000) of the dedicated marijuana account—state appropriation are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program, dropout prevention programs that provide student mentoring, and the building bridges statewide program. Students in the foster care system or who are homeless shall be given priority by districts offering the jobs for America's graduates program. The office of the superintendent of public instruction shall convene staff representatives from high schools to meet and share best practices for dropout prevention. Of these amounts, \$520,000 of the dedicated marijuana account—state appropriation for fiscal year 2022, and (((\$533,000)) \$550,000) of the dedicated marijuana account—state appropriation for fiscal year 2023 are provided solely for the building bridges statewide program.

(ii) \$293,000 of the general fund—state appropriation for fiscal year 2022 and \$293,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to support district implementation of comprehensive guidance and planning programs in support of high-quality high school and beyond plans consistent with RCW 28A.230.090.

(iii) \$178,000 of the general fund—state appropriation for fiscal year 2022 and \$178,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 291, Laws of 2017 (truancy reduction efforts).

(h) Sufficient amounts are appropriated in this section for the office of the superintendent of public instruction to create a process and provide assistance to school districts in planning for future implementation of the summer knowledge improvement program grants.

(i) \$358,000 of the general fund—state appropriation for fiscal year 2022 and \$358,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 221, Laws of 2019 (CTE course equivalencies).

(j) \$196,000 of the general fund—state appropriation for fiscal year 2022 and \$196,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 252, Laws of 2019 (high school graduation reqs.).

(k) \$60,000 of the general fund—state appropriation for fiscal year 2022, \$60,000 of the general fund—state appropriation for fiscal year 2023, and \$680,000 of the general fund—federal appropriation are provided solely for the implementation of chapter 295, Laws of 2019 (educator workforce supply). Of the amounts provided in this subsection, \$680,000 of the general fund—federal appropriation is provided solely for title II SEA state-level activities to implement section 103, chapter 295, Laws of 2019 relating to the regional recruiters program.

(l) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a tribal liaison at the office of the superintendent of public instruction to facilitate access to and support enrollment in career connected learning opportunities for tribal students, including career awareness and exploration, career preparation, and career launch programs, as defined in RCW 28C.30.020, so that tribal students may receive high school or college credit to the maximum extent possible.

(m) \$57,000 of the general fund—state appropriation for fiscal year 2022 and \$57,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 288, Laws of 2020 (school meals at no cost).

(n) \$269,000 of the general fund—state appropriation for fiscal year 2022 and \$142,000 of the general fund—state appropriation

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for fiscal year 2023 are provided solely for implementation of chapter 353, Laws of 2020 (innovative learning pilot).

(o) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to provide statewide coordination towards multicultural, culturally responsive, and anti-racist education to support academically, socially, and culturally literate learners. The office must engage community members and key interested parties to:

(i) Develop a clear definition and framework for African American studies to guide instruction in grades seven through twelve;

(ii) Develop a plan for aligning African American studies across all content areas; and

(iii) Identify professional development opportunities for educators and administrators to build capacity in creating high-quality learning environments centered in belonging and racial equity, anti-racist approaches, and asset-based methodologies that pull from all students' cultural funds of knowledge.

(p) \$275,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to convene and provide staff support to the K-12 basic education compensation advisory committee established in section 951 of this act.

(q) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to develop resources, share best practices, and provide technical assistance for school districts to support implementation of comprehensive, culturally responsive, and high-quality civics education. Within amounts provided in this subsection, the office shall administer competitive grant awards of up to \$1,500 per first class school district and \$750 per second class school district to support in-service training and the development or adoption of curriculum and instructional materials. The office shall utilize a portion of this funding to assess the learning outcomes related to civic education curriculum and to support related assessments that gauge the degree to which high quality civic education is taking place in school districts throughout the state.

(r) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to provide technical assistance to school districts through the center for the improvement of student learning. The technical assistance must support the implementation of trauma-informed practices, policies, and procedures, including implementation of social emotional learning programs, multi-tiered systems of support, and other evidence-based programs that improve school climate and student emotional wellbeing.

(s) \$49,000 of the general fund—state appropriation for fiscal year 2022 and \$49,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1214 (K-12 safety & security serv.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(t) \$35,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Substitute House Bill No. 1363 (secondary trauma/K-12). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(u) \$140,000 of the general fund—state appropriation for fiscal

year 2022 and \$135,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 1208 (learning assistance program). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(v) \$505,000 of the general fund—state appropriation for fiscal year 2022 and \$486,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1295 (institutional ed./release). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(w) \$60,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office of the superintendent of public instruction to evaluate and implement best practices and procedures for ensuring that student lunch periods include a seated lunch duration of at least 20 minutes. The office of the superintendent of public instruction shall, through an application-based process, select six public schools to serve as demonstration sites. Of the amounts provided in this subsection:

(i) \$30,000 of the general fund—state appropriation is provided solely for annual grant awards of \$5,000 each provided to the six school districts selected to serve as school demonstration sites;

(ii) \$20,000 of the general fund—state appropriation is provided solely for the office to hire a consultant with expertise in nutrition programs to oversee the demonstration projects and provide technical support; and

(iii) \$10,000 of the general fund—state appropriation is provided solely for the office to provide technical support to the demonstration sites and report its findings and recommendations to the education committees of the house of representatives and the senate by October 1, 2022.

(x) \$27,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Substitute Senate Bill No. 5030 (school counseling programs). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(y) \$16,000 of the general fund—state appropriation for fiscal year 2022 and \$16,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5237 (child care & early dev. exp.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(z) \$553,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of the superintendent of public instruction to develop and implement a mathematics pathways pilot to modernize algebra II. The office should use research and engage stakeholders to develop a revised and expanded course.

(aa)(i) \$76,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of the superintendent of public instruction to collaborate with the department of health to submit a report of findings related to statewide implementation of RCW 28A.210.383. In preparing the report, the office must collaborate with the department to:

(A) Analyze information about the schools that maintain a supply of epinephrine autoinjectors under RCW 28A.210.383;

(B) Examine the barriers and challenges licensed health professionals with the authority to prescribe epinephrine autoinjectors experience in prescribing this medication under a standing order;

(C) Review whether and to what extent the requirement under RCW 28A.210.320 that a student with a life-threatening allergic reaction present a medication or treatment order addressing the medical services that may be required to be performed at the school reduces the need for and use of a school supply of

epinephrine autoinjectors;

(D) Determine the number of unused epinephrine autoinjectors discarded by schools, and returned to students' families, at the end of the 2022-23 school year;

(E) Complete an inventory of the number and categories of school district staff provided with training on identifying and responding to life-threatening allergies between September 1, 2017, and June 1, 2023; and

(F) Investigate any other implementation issues raised by school nurses, students who have life-threatening allergic reactions, and students' families during meetings held by the office for the purpose of soliciting feedback on these issues.

(ii) When collecting and analyzing information required under (i) of this subsection (4)(aa), the office and the department must collect information from multiple sources, and disaggregate information during analysis, such that information can be separated by school geography, student enrollment, school socioeconomic status, and other student demographics.

(iii) The office and the department must submit the report to the appropriate committees of the legislature by June 30, 2023.

(bb) \$3,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to contract for regional multitiered systems of support (MTSS) implementation specialists during the 2022-23 school year to help districts administer the MTSS assessments and adopt evidence-based strategies that address the specific academic, social, emotional, and behavioral health needs of students exacerbated by the pandemic. Funding may also be used for the specialists to provide MTSS training and technical assistance to help school districts and educational service districts connect students with appropriate supports to improve student outcomes and reduce educational opportunity gaps.

(cc) \$367,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1153 (language access in schools). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(dd) \$8,341,000 of the Washington state opportunity pathways account—state appropriation is provided solely for support to small school districts and public schools receiving allocations under chapters 28A.710 and 28A.715 RCW that have less than 800 enrolled students, are located in urban or suburban areas, and budgeted for less than \$18,000 per pupil in general fund expenditures in the 2021-22 school year. For eligible school districts and schools, the superintendent of public instruction must allocate an amount equal to the lesser of (dd)(i) or (ii) of this subsection multiplied by the school district or school's budgeted enrollment in the 2021-22 school year.

(i) The state local effort assistance threshold in RCW 28A.500.015 in the 2022 calendar year.

(ii) \$18,000 minus the school district or school's budgeted general fund expenditures per pupil in the 2021-22 school year.

(ee)(i) \$80,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to assist sexual assault survivors in Washington public schools. Funding provided in this subsection must be used by the office to:

(A) Research best practices for a victim-centered, trauma-informed approach to responding to sexual assault and supporting survivors in schools;

(B) Conduct listening sessions across the state for the purpose of assessing challenges with responding to sexual assault and supporting survivors in schools;

(C) Update model protocols for responding to sexual assault and supporting survivors in schools;

(D) Develop a plan for deploying victim-centered, trauma-informed training for school administrators and counselors, based

on best practices for responding to sexual assault and supporting survivors in schools and informed by the requirements of title IX of the education amendments of 1972; and

(E) Review current legal requirements mandating that educators and staff report suspected sexual assault and assess whether changes to those requirements should be made to align them with best practices for responding to sexual assault and supporting survivors in schools.

(ii) The office must consult with the department of children, youth, and families, law enforcement professionals, national and state organizations supporting the interests of sexual assault survivors, victims' advocates, educators, school administrators, school counselors, and sexual assault survivors.

(iii) The office must submit to the governor and the appropriate committees of the legislature a preliminary report by December 1, 2022. It is the intent of the legislature to provide funding for the office to submit a final report, including a summary of its findings and recommendations, by October 1, 2023.

(ff) \$25,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to create and distribute promotional and educational materials to school districts for Americans of Chinese descent history month.

(gg) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the superintendent to contract with a community-based youth development nonprofit organization for a pilot program to provide behavioral health support for youth and trauma-informed, culturally responsive staff training.

(hh) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the superintendent to establish a media literacy and digital citizenship ambassador program to promote the integration of media literacy and digital citizenship instruction.

(ii) \$294,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute Senate Bill No. 5252 (school consultation/tribes). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(5) CAREER CONNECTED LEARNING

(a) \$852,000 of the workforce education investment account—state appropriation is provided solely for expanding career connected learning as provided in RCW 28C.30.020.

(b) \$960,000 of the workforce education investment account—state appropriation is provided solely for increasing the funding per full-time equivalent for career launch programs as described in RCW 28A.700.130. In the 2021-2023 fiscal biennium, for career launch enrollment exceeding the funding provided in this subsection, funding is provided in section 504 of this act.

(c) \$500,000 of the workforce education investment account—state appropriation is provided solely for the Federal Way school district to establish pre-apprenticeship pathways and career connected learning programs in the skilled trades in Federal Way.

(d) \$1,500,000 of the workforce education investment account—state is provided solely for Marysville school district to collaborate with Arlington school district, Everett Community College, other local school districts, local labor unions, local Washington state apprenticeship and training council registered apprenticeship programs, and local industry groups to continue the regional apprenticeship pathways program.

(e) \$3,600,000 of the workforce education investment account—state appropriation is provided solely for the office of the superintendent of public instruction to administer grants to skill centers for nursing programs to purchase or upgrade simulation laboratory equipment.

Sec. 502. 2021 c 334 s 502 (uncodified) is amended to read as follows:

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FOR THE STATE BOARD OF EDUCATION

General Fund—State Appropriation (FY 2022)	\$3,001,000
General Fund—State Appropriation (FY 2023)	(\$5,003,000)
	<u>\$5,398,000</u>
Washington Opportunity Pathways Account—State Appropriation	(\$322,000)
	<u>\$326,000</u>
TOTAL APPROPRIATION	(\$8,326,000)
	<u>\$8,725,000</u>

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

(1) \$152,000 of the general fund—state appropriation for fiscal year 2022 and \$138,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the state board of education for the following: Continuation of the mastery-based learning work group (chapter 252, Laws of 2019), expansion of ongoing pathways research, and a report outlining findings and recommendations to the governor and education committees of the legislature by December 31, 2022.

(2) \$1,500,000 of the general fund—state appropriation for fiscal year 2022 and \$3,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the state board of education for implementation of mastery-based learning in school district demonstration sites for the purpose of addressing learning recovery and other educational issues related to COVID-19. The funds must be used for grants to school districts, professional development of school district staff, and implementation support provided by the state board of education. The state board of education shall require grant recipients to report on impacts and participate in a collaborative to share best practices. Grants for mastery-based learning may be made in partnership with private matching funds.

(3) \$263,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the state board of education for a community engagement coordinator position within the state board of education. Funding provided in this subsection may also be used for contracts for partner organizations, including community-based and nonprofit organizations, to support the engagement coordinator.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the state board of education to identify, develop, or purchase a school climate survey tool or other assessment options, and work with the office of the superintendent of public instruction and school districts to develop a statewide implementation plan, and report back on progress to the governor and education committees of the legislature by June 30, 2023.

Sec. 503. 2021 c 334 s 503 (uncodified) is amended to read as follows:

FOR THE PROFESSIONAL EDUCATOR STANDARDS BOARD

General Fund—State Appropriation (FY 2022)	\$16,868,000
General Fund—State Appropriation (FY 2023)	(\$19,203,000)
	<u>\$21,438,000</u>
TOTAL APPROPRIATION	(\$36,071,000)
	<u>\$38,306,000</u>

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

(1) \$1,693,000 of the general fund—state appropriation for fiscal year 2022 and \$1,725,000 of the general fund—state appropriation for fiscal year 2023 are for the operation and expenses of the Washington professional educator standards board including implementation of chapter 172, Laws of 2017 (educator prep. data/PESB).

(2)(a) \$600,000 of the general fund—state appropriation for fiscal year 2022 and \$600,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to improve preservice teacher training and funding of alternate routes to certification programs administered by the professional educator standards board.

(b) Within the amounts provided in this subsection (2), up to \$500,000 of the general fund—state appropriation for fiscal year 2022 and up to \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided for grants to public or private colleges of education in Washington state to develop models and share best practices for increasing the classroom teaching experience of preservice training programs.

(3) \$622,000 of the general fund—state appropriation for fiscal year 2022 and \$622,000 of the general fund—state appropriation for fiscal year 2023 are provided for the recruiting Washington teachers program with priority given to programs that support bilingual teachers, teachers from populations that are underrepresented, and English language learners. Of the amounts provided in this subsection (3), \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation and expansion of the bilingual educator initiative pilot project established under RCW 28A.180.120.

(4) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of chapter 295, Laws of 2019 (educator workforce supply).

(5) \$13,499,000 of the general fund—state appropriation for fiscal year 2022 and ((\$16,076,000)) \$17,535,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 237, Laws of 2017 (paraeducators). Of the amounts provided in this subsection:

(a) \$250,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to develop an online course to train educators on effective community, family, and student engagement.

(b) \$12,587,000 of the general fund—state appropriation for fiscal year 2022 and ((\$15,414,000)) \$16,873,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to districts to provide two days of training per school year in the paraeducator certificate program to all paraeducators. Funds in this subsection are provided solely for reimbursement to school districts that provide paraeducators with two days of training in the paraeducator certificate program in each of the 2020-21 and 2021-22 school years. Funding provided in this subsection is sufficient for new paraeducators to receive four days of training in the paraeducator certificate program during their first year.

(6) \$54,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Second Substitute House Bill No. 1028 (residency teacher cert.). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(7) \$63,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to develop standards for two specialty endorsements in computer science, one in elementary computer science and one in secondary computer science. The professional educator standards board shall consult with the superintendent of public instruction to confirm that the specialty endorsements reflect the appropriate content necessary to teach computer science in the classroom, as defined by the office of the superintendent of public instruction with industry input. The computer science specialty endorsements must be available to all

certificated teachers who hold a valid license and who demonstrate sufficient content knowledge in computer science.

(8) \$187,000 of the general fund—state appropriation for fiscal year 2022 and \$30,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5044 (schools/equity training). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$700,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the board to administer grants to reimburse school districts for professional development activities of up to \$2,000 per employee or contracted staff service provider in the role of educational interpreter who are training to meet standards in RCW 28A.410.271. Funding provided in this subsection may be used for:

- (a) Professional development, training, or mentoring services;
- (b) Paid time to attend training or mentoring opportunities;
- (c) Compensation for substitutes to enable educational interpreters to access professional development, training, or mentoring services during the instructional day without interrupting service to students;
- (d) Courses offered at institutions of higher education located in Washington and designed to improve professional skills to meet the educational needs of students who are deaf or hard of hearing;
- (e) Assessment fees for initial submission or assessment retakes to meet or exceed standards in RCW 28A.410.271(3)(a) and (b); and

(f) Other activities as defined by the Washington professional educator standards board in consultation with the Washington center for deaf and hard of hearing youth and associations representing school administrators and educational interpreters.

(10) \$13,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1153 (language access in schools). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 504. 2021 c 334 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2022)	(((\$9,852,652,000))
	<u>\$9,481,252,000</u>
General Fund—State Appropriation (FY 2023)	(((\$9,550,695,000))
	<u>\$8,975,955,000</u>
<u>General Fund—Federal Appropriation</u>	<u>\$204,000</u>
Education Legacy Trust Account—State Appropriation	(((\$1,398,115,000))
	<u>\$1,608,115,000</u>
<u>Coronavirus State Fiscal Recovery Fund—Federal Appropriation</u>	<u>\$280,875,000</u>
TOTAL APPROPRIATION	(((\$20,801,462,000))
	<u>\$20,346,401,000</u>

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

- (1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
- (b) For the 2021-22 and 2022-23 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary allocations in sections 504 and 505 of this act, excluding (c) of this subsection.
- (c) From July 1, 2021, to August 31, 2021, the superintendent

shall allocate general apportionment funding to school districts programs as provided in sections 503 and 504, chapter 357, Laws of 2020, as amended.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(e)(i) Funding provided in part V of this act is sufficient to provide each full-time equivalent student with the minimum hours of instruction required under RCW 28A.150.220.

(ii) The office of the superintendent of public instruction shall align the agency rules defining a full-time equivalent student with the increase in the minimum instructional hours under RCW 28A.150.220, as amended by the legislature in 2014.

(f) The superintendent shall adopt rules requiring school districts to report full-time equivalent student enrollment as provided in RCW 28A.655.210.

(g) For the 2021-22 and 2022-23 school years, school districts must report to the office of the superintendent of public instruction the monthly actual average district-wide class size across each grade level of kindergarten, first grade, second grade, and third grade classes. The superintendent of public instruction shall report this information to the education and fiscal committees of the house of representatives and the senate by September 30th of each year.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2021-22 and 2022-23 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school, including those at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:		
Grade	2021-22	2022-23
RCW 28A.150.260	School Year	School Year
Grade K	17.00	17.00
Grade 1	17.00	17.00
Grade 2	17.00	17.00
Grade 3	17.00	17.00
Grade 4	27.00	27.00
Grades 5-6	27.00	27.00
Grades 7-8	28.53	28.53

Grades 9-12 28.74 28.74

The superintendent shall base allocations for: Laboratory science average class size as provided in RCW 28A.150.260; career and technical education (CTE) class size of 23.0; and skill center program class size of 19. Certificated instructional staff units provided for skills centers that exceed the minimum requirements of RCW 28A.150.260 achieve class size reductions under RCW 28A.400.007 and are part of the state's program of basic education.

(ii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iii) Advanced placement and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260, as amended by Second Substitute House Bill No. 1664 (schools/support funding), and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii)(A) For the twenty schools with the lowest overall school score for all students in the 2018-19 school year, as determined by the Washington school improvement framework among elementary schools, middle schools, and other schools not serving students up to twelfth grade, having enrollments greater than one hundred fifty students, in addition to the allocation under (d)(i) of this subsection the superintendent shall allocate additional funding for guidance counselors for each level of prototypical school in the 2021-22 school year as follows:

	Elementary	Middle
Guidance counselors	0.307	0.512

To receive additional allocations under this subsection (2)(d)(ii)(A), a school eligible to receive the allocation must have demonstrated actual staffing for guidance counselors for its prototypical school level that meets or exceeds the staffing for guidance counselors in (d)(i) of this subsection and this subsection (2)(d)(ii)(A) for its prototypical school level. School districts must distribute the additional guidance counselors allocation in this subsection to the schools that generate the allocation. The enhancement within this subsection is not part of the state's program of basic education.

(B) For qualifying high-poverty schools in the 2022-23 school year, at which more than 50 percent of the students were eligible for free and reduced-price meals in the prior school year, in addition to the allocation under (d)(i) of this subsection, the superintendent shall allocate additional funding for guidance counselors for each level of prototypical school as follows:

	Elementary	Middle	High
Guidance counselors	((0.500)) <u>0.333</u>	((0.500)) <u>0.333</u>	((0.500)) <u>0.333</u>

(C) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 student full-time equivalent enrollment:

	2021-22 School Year	2022-23 School Year
Career and Technical Education	3.07	((3.07)) <u>3.35</u>

Skill Center 3.41 ((3.41))
3.69

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2021-22 and 2022-23 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistant principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors:

Career and Technical Education students	1.025
Skill Center students	1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2021-22 and 2022-23 school years are determined using the formula-generated staff units provided in RCW 28A.150.260 and pursuant to this subsection, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2021-22 and 2022-23 school years for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b) and the increased allocations provided pursuant to subsections (2) and (4) of this section, by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.48 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by ((12.52)) 12.58 percent in the 2021-22 school year and ((11.96)) 12.11 percent in the 2022-23 school year for career and technical education students, and ((17.86)) 17.92 percent in the 2021-22

school year and ((17.26)) 17.42 percent in the 2022-23 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 22.71 percent in the 2021-22 school year and ((22.71)) 22.98 percent in the 2022-23 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 22.75 percent in the 2021-22 school year and ((22.75)) 22.80 percent in the 2022-23 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the rates specified in section 506 of this act, based on the number of benefit units determined as follows: Except for nonrepresented employees of educational service districts, the number of calculated benefit units determined below. Calculated benefit units are staff units multiplied by the benefit allocation factors established in the collective bargaining agreement referenced in ((section 942 of this act)) section 934 of this act. These factors are intended to adjust allocations so that, for the purpose of distributing insurance benefits, full-time equivalent employees may be calculated on the basis of 630 hours of work per year, with no individual employee counted as more than one full-time equivalent. The number of benefit units is determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section multiplied by 1.02; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.43.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a)(i) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2021-22 School Year	2022-23 School Year
Technology	\$140.84	(((\$168.10)) <u>\$173.59</u>)
Utilities and Insurance	\$382.70	(((\$388.82)) <u>\$403.75</u>)
Curriculum and Textbooks	\$151.22	(((\$153.64)) <u>\$159.54</u>)
Other Supplies	\$299.50	(((\$303.29)) <u>\$316.73</u>)
Library Materials	\$21.54	(((\$21.89)) <u>\$21.97</u>)
Instructional Professional Development for Certificated and Classified Staff	\$23.39	(((\$23.76)) <u>\$24.67</u>)
Facilities Maintenance	\$189.59	(((\$192.62)) <u>\$200.02</u>)
Security and Central Office	\$131.35	(((\$133.45)) <u>\$138.57</u>)
TOTAL MSOC/STUDENT FTE	\$1,340.13	(((\$1,386.57)) <u>\$1,438.84</u>)

(ii) For the 2021-22 school year and 2022-23 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must

disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any proposed use of this difference and how this use will improve student achievement.

(iii) Within the amount provided in (a)(i) of this subsection (8), allocations for MSOC technology in excess of RCW 28A.150.260 are not part of the state's basic education.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,585.55 for the 2021-22 school year and (((\$1,610.92)) \$1,672.76 for the 2022-23 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate per student FTE MSOC allocations of \$1,585.55 for the 2021-22 school year and (((\$1,610.92)) \$1,672.76 for the 2022-23 school year.

(d) Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocations provided in (a) through (c) of this subsection at the following rate:

MSOC Component	2021-22 School Year	2022-23 School Year
Technology	\$40.50	(((\$41.15)) <u>\$42.72</u>)
Curriculum and Textbooks	\$44.18	(((\$44.89)) <u>\$46.61</u>)
Other Supplies	\$86.06	(((\$87.43)) <u>\$90.79</u>)
Library Materials	\$5.99	(((\$6.09)) <u>\$6.32</u>)
Instructional Professional Development for Certified and Classified Staff	\$7.36	(((\$7.48)) <u>\$7.77</u>)
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$184.09	(((\$187.04)) <u>\$194.21</u>)

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2021-22 and 2022-23 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2021, to August 31, 2021, are adjusted to reflect provisions of chapter 357, Laws of 2020, as amended (allocation of funding for students enrolled in alternative learning experiences).

(b) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM

The superintendent shall adopt rules to require students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at

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least weekly minimum instructional contact, academic counseling, career counseling, or case management contact. Districts must also provide separate financial accounting of expenditures for the programs offered by the district or under contract with a provider, as well as accurate monthly headcount and full-time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students.

(12) ALL DAY KINDERGARTEN PROGRAMS

(a) Funding in this section is sufficient to fund all day kindergarten programs in all schools in the 2021-22 school year and 2022-23 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

(b) To generate an allocation under this section, enrollments under uniform entry qualifications for kindergarten admission require an individualized decision by the district that is based upon the ability, or the need, or both, of an individual student as required in RCW 28A.225.160. Due to significant growth in exceptions provided under optional school district transitional kindergarten programs, and to ensure compliance with RCW 28A.225.160, the superintendent of public instruction must adopt rules for allocations under this section regarding exceptions to uniform entry qualifications for kindergarten admission for the 2022-23 school year. Rules established under the subsection must:

(i) Limit allocations for exceptions to uniform entry qualifications for kindergarten under this section only to students enrolled as individualized exceptions based upon the ability, or the need, or both, of an individual student;

(ii) Define full-time equivalent enrollments under exceptions to uniform entry qualifications for kindergarten that exceed a district's 2021-22 enrollments under exceptions as nonindividualized programmatic exceptions, which do not generate allocations under this section;

(iii) Allow school districts to fund nonindividualized programmatic exceptions from local revenues as enrichments of the state's statutory program of basic education; and

(iv) Include a review no later than June 30, 2023, based on the Washington state institute for public policy report required in section 607(4)(n) of this act and any applicable statutory changes made subsequent to this act.

(13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68

certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full-time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full-time equivalent students;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit;

(e) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (13) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(14) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(15) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2022 and 2023 as follows:

(a) \$650,000 of the general fund—state appropriation for fiscal year 2022 and \$650,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) \$436,000 of the general fund—state appropriation for fiscal year 2022 and \$436,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(16) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(17) Funding in this section is sufficient to fund a maximum of 1.2 FTE enrollment for career launch students pursuant to RCW 28A.700.130. Expenditures for this purpose must come first from the appropriations provided in section 501(5) of this act; funding for career launch enrollment exceeding those appropriations is provided in this section. The office of the superintendent of public instruction shall provide a summary report to the office of the governor and the appropriate committees of the legislature by January 1, 2022. The report must include the total FTE enrollment for career launch students, the FTE enrollment for career launch students that exceeded the appropriations provided in section 501(5) of this act, and the amount expended from this section for those students.

(18) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment consistent with the running start course requirements provided in chapter 202, Laws of 2015 (dual credit education opportunities). In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system. The office of the superintendent of public instruction must adopt rules to fund the participating student's enrollment in running start courses during the summer term.

(19) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (13) of this section, the following apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (13) of this section shall be reduced in increments of twenty percent per year.

(20)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed the lesser of five percent or the cap established in federal law of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

(21) Funding in this section is sufficient to provide full general apportionment payments to school districts eligible for federal forest revenues as provided in RCW 28A.520.020. For the 2021-2023 biennium, general apportionment payments are not reduced for school districts receiving federal forest revenues.

(22) \$16,211,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to ensure that school districts receive at least \$500 per pupil for COVID-19 relief funding when combined with federal relief dollars. These funds are one-time allocations to school districts and may be used according to the allowable uses defined in section 2001(2)(e) of the American rescue plan act of 2021, P.L. 117-2. Prior to receiving funds, a school district must submit an academic and student well-being recovery plan to the office of the superintendent of public instruction as required in section 12(3), chapter 3, Laws of 2021, and must also report progress on implementing the plan in a manner identified by the superintendent.

(a) The office of the superintendent of public instruction must calculate a relief per pupil amount for each district defined as: The quotient from dividing the total funding allocated to each district from the federal relief funds, as defined in (b) of this subsection, by a school district's total enrollment as defined in (c) of this subsection. A school district with a relief per pupil amount less than \$500 shall receive the difference between \$500 and the relief per pupil amount, multiplied by the school district's total enrollment.

(b) For the purposes of this subsection, federal relief funds allocated to school districts include:

(i) Subgrants authorized under section 18003, the coronavirus aid, relief, and economic security act, P.L. 116-136;

(ii) Subgrants authorized under section 313, the coronavirus response and relief supplemental appropriations act, P.L. 116-260; and

(iii) Subgrants authorized under section 2001, the American rescue plan act of 2021, P.L. 117-2.

(c) For the purposes of this subsection, a school district's total enrollment means the district's 2019-20 school year annual average full-time equivalent student enrollment, excluding full-time equivalent student enrollments for which funds are separately calculated and allocated under RCW 28A.232.020, 28A.600.310(4), 28A.245.020, and 28A.175.110.

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(d) For the purposes of this subsection, this subsection applies to state-tribal compact schools established under chapter 28A.715 RCW.

(23) (((\$27,806,000)) \$14,859,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for enrollment stabilization allocations required in section 1519 of this act.

(24) \$566,000 of the general fund—state appropriation for fiscal year 2022, \$250,000 of the general fund—state appropriation for fiscal year 2023, and \$204,000 of the general fund—federal appropriation (CRRSA/ESSER) are provided solely for an enrollment stabilization allocation for the Washington youth academy national guard youth challenge program. Federal funding is provided in response to the COVID-19 pandemic as authorized in subsection 313(e), the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M.

(25) \$280,875,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for enrollment stabilization allocations pursuant to Substitute House Bill No. 1590 (enrollment stabilization). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(26) \$145,489,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1664 (schools/support funding). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 505. 2021 c 334 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in RCW 28A.150.260, and under section 504 of this act: For the 2021-22 school year and the 2022-23 school year salary allocations for certificated instructional staff, certificated administrative staff, and classified staff units are determined for each school district by multiplying the statewide minimum salary allocation for each staff type by the school district's regionalization factor shown in LEAP Document 3.

Statewide Minimum Salary Allocation

Staff Type	2021-22 School Year	2022-23 School Year
Certificated Instructional	\$68,937	(((\$70,040)) <u>\$72,728</u>)
Certificated Administrative	\$102,327	(((\$103,964)) <u>\$107,955</u>)
Classified	\$49,453	(((\$50,244)) <u>\$52,173</u>)

(2) For the purposes of this section, "LEAP Document 3" means the school district regionalization factors for certificated instructional, certificated administrative, and classified staff, as developed by the legislative evaluation and accountability program committee on ((February 1, 2021, at 5:17)) February 18, 2022, at 6:09 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 22.07 percent for school year 2021-22 and ((22.07)) 22.34 percent for school year 2022-23 for certificated instructional and certificated administrative staff and 19.25 percent for school year 2021-22 and ((19.25)) 19.30 percent for the 2022-23 school year for classified staff.

(4) The salary allocations established in this section are for allocation purposes only except as provided in this subsection, and do not entitle an individual staff position to a particular paid salary except as provided in RCW 28A.400.200, as amended by chapter 13, Laws of 2017 3rd sp. sess. (fully funding the program of basic education).

Sec. 506. 2021 c 334 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State	Appropriation (FY 2022)	(((\$102,094,000)) <u>\$97,080,000</u>)
General Fund—State	Appropriation (FY 2023)	(((\$310,929,000)) <u>\$580,811,000</u>)
Coronavirus State Fiscal Recovery Fund—Federal		
Appropriation		<u>\$1,720,000</u>
TOTAL APPROPRIATION		(((\$413,023,000)) <u>\$679,611,000</u>)

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

(1) The salary increases provided in this section are 2.0 percent for the 2021-22 school year, and ((1.6)) 5.5 percent for the 2022-23 school year, the annual inflationary adjustments pursuant to RCW 28A.400.205.

(2)(a) In addition to salary allocations, the appropriations in this section include funding for professional learning as defined in RCW 28A.415.430, 28A.415.432, and 28A.415.434. Funding for this purpose is calculated as the equivalent of three days of salary and benefits for each of the funded full-time equivalent certificated instructional staff units. Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

(b) Of the funding provided for professional learning in this section, the equivalent of one day of salary and benefits for each of the funded full-time equivalent certificated instructional staff units in the 2021-22 school year must be used to train school district staff on cultural competency, diversity, equity, or inclusion, as required in ((Engrossed Substitute Senate Bill No. 5044 (schools/equity training))) chapter 197, Laws of 2021.

(3)(a) The appropriations in this section include associated incremental fringe benefit allocations at 22.07 percent for the 2021-22 school year and ((22.07)) 22.34 percent for the 2022-23 school year for certificated instructional and certificated administrative staff and 19.25 percent for the 2021-22 school year and ((19.25)) 19.30 percent for the 2022-23 school year for classified staff.

(b) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocations and methodology in sections 504 and 505 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 504 and 505 of this act. Changes for pupil transportation are determined by the superintendent of public instruction pursuant to RCW 28A.160.192, and impact compensation factors in sections 504, 505, and 506 of this act.

(c) The appropriations in this section include no salary adjustments for substitute teachers.

(4) The appropriations in this section are sufficient to fund the collective bargaining agreement referenced in ((section 942 of this act)) section 934 of this act and reflect the incremental change in cost of allocating rates as follows: For the 2021-22 school year, \$968 per month and for the 2022-23 school year, ((\$1,032)) \$1,026 per month.

(5) When bargaining for funding for school employees health benefits for the 2021-2023 fiscal biennium, any proposal agreed upon must assume the imposition of a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(6) The rates specified in this section are subject to revision each year by the legislature.

Sec. 507. 2021 c 334 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State	Appropriation (FY 2022)	(((\$615,759,000))
		<u>\$605,160,000</u>
General Fund—State	Appropriation (FY 2023)	(((\$649,872,000))
		<u>\$672,475,000</u>
TOTAL APPROPRIATION		(((\$1,265,631,000))
		<u>\$1,277,635,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2021-22 and 2022-23 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192. Funding in this section constitutes full implementation of RCW 28A.160.192, which enhancement is within the program of basic education. Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160.

(b) From July 1, 2021, to August 31, 2021, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 506, chapter 357, Laws of 2020, as amended.

(3) Within amounts appropriated in this section, up to \$10,000,000 of the general fund—state appropriation for fiscal year 2022 and up to \$10,000,000 of the general fund—state appropriation for fiscal year 2023 are for a transportation alternate funding grant program based on the alternate funding process established in RCW 28A.160.191. The superintendent of public instruction must include a review of school district efficiency rating, key performance indicators and local school district characteristics such as unique geographic constraints in the grant award process.

(4) A maximum of \$939,000 of the general fund—state appropriation for fiscal year 2022 and a maximum of \$939,000 of the general fund—state appropriation for fiscal year 2023 may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual

transportation activity of each district.

(5) Subject to available funds under this section, school districts may provide student transportation for summer skills center programs.

(6) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(7) The superintendent of public instruction shall base depreciation payments for school district buses on the presales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

(8) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(9) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

(10) The superintendent must provide student transportation allocations for the 2021-22 school year equal to the greater of allocations provided in the 2019-20 school year or the student transportation allocations calculated under RCW 28A.160.192. These allocations satisfy the formula requirements for transportation allocations under RCW 28A.160.192.

(11) ((\$33,858,000)) \$29,745,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for transportation emergency allocations required in section 1504(12) of this act.

(12)(a) \$13,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the superintendent to provide transportation safety net funding to school districts with a demonstrated need for additional transportation funding for special passengers. Transportation safety net awards shall only be provided when a school district's allowable transportation expenditures attributable to serving special passengers exceeds the amount allocated under subsection (2)(a) of this section and any excess transportation costs reimbursed by federal, state, tribal, or local child welfare agencies.

(b) To be eligible for additional transportation safety net award funding, the school district must report, in accordance with statewide accounting guidance, the amount of the excess costs and the specific activities or services provided to special passengers that created the excess costs. The office of the superintendent of public instruction must request from school districts an application for transportation safety net funding no later than May 1st. The application must contain the school district's anticipated excess costs through the end of the current school year.

(c) Transportation safety net awards allocated under this subsection are not part of the state's program of basic education.

Sec. 508. 2021 c 334 s 508 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—SCHOOL FOOD SERVICES

General Fund—State	Appropriation (FY 2022)	\$11,667,000
General Fund—State	Appropriation (FY 2023)	(((\$11,667,000))
		<u>\$33,334,000</u>
General Fund—Federal	Appropriation	(((\$551,378,000))
		<u>\$573,246,000</u>
TOTAL APPROPRIATION		(((\$574,712,000))

\$618,247,000

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

(1) \$11,548,000 of the general fund—state appropriation for fiscal year 2022 and \$11,548,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(a) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades pre-kindergarten through twelfth grades who are eligible for reduced-price lunch as required in Engrossed House Bill No. 1342 (reduced-price lunch copays);

(b) Assistance to school districts and authorized public and private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(c) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced-price lunch, pursuant to chapter 287, Laws of 2005; and

(d) Assistance to school districts in initiating and expanding school breakfast programs.

(2) The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in subsection (1)(a) through (c) of this section.

(3) The superintendent of public instruction shall provide the department of health with the following data, where available, for all nutrition assistance programs that are funded by the United States department of agriculture and administered by the office of the superintendent of public instruction. The superintendent must provide the report for the preceding federal fiscal year by February 1, 2022, and February 1, 2023. The report must provide:

(a) The number of people in Washington who are eligible for the program;

(b) The number of people in Washington who participated in the program;

(c) The average annual participation rate in the program;

(d) Participation rates by geographic distribution; and

(e) The annual federal funding of the program in Washington.

(4)(a) \$21,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for reimbursements to school districts for schools and groups of schools required to participate in the federal community eligibility program under section 1, chapter 7, Laws of 2022 (schools/comm. eligibility) for meals not reimbursed at the federal free meal rate. If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(b) \$119,000 of the general fund—state appropriation for fiscal year 2022 and ((\$119,000)) \$286,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 271, Laws of 2018 (school meal payment) to increase the number of schools participating in the federal community eligibility program and to support breakfast after the bell programs authorized by the legislature that have adopted the community eligibility provision, and for staff at the office of the superintendent of public instruction to implement section 1, chapter 7, Laws of 2022 (schools/comm. eligibility).

(5) \$14,200,000 of the general fund—federal appropriation (CRRSA) is provided solely for emergency costs for child nutrition programs provided under section 722 of P.L. 116-260, the consolidated appropriations act, 2021, title VII, chapter 3 to school food programs.

(6) \$18,223,000 of the general fund—federal appropriation is

provided solely for reimbursement of local education agencies expenditures for the acquisition of unprocessed or minimally processed domestic food products from the United States department of agriculture supply chain assistance funds authorized by the commodity credit corporation charter act of 2021.

(7) \$3,645,000 of the general fund—federal appropriation is provided solely for food assistance purchases of domestic local foods for distribution to schools from the United States department of agriculture local food for schools cooperative agreement program authorized by the commodity credit corporation charter act of 2021.

Sec. 509. 2021 c 334 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State	Appropriation (FY 2022)	
		(\$1,455,154,000)
		<u>\$1,464,854,000</u>
General Fund—State	Appropriation (FY 2023)	
		(\$1,537,068,000)
		<u>\$1,459,576,000</u>
General Fund—Federal Appropriation		\$571,229,000
Education Legacy Trust Account—State	Appropriation	\$54,694,000
Elementary and Secondary School Emergency Relief III		
Account—Federal Appropriation		\$7,000,000
TOTAL APPROPRIATION		(\$3,625,145,000)
		<u>\$3,557,353,000</u>

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

(1)(a) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 504 and 506 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(b) Funding provided within this section is sufficient for districts to provide school principals and lead special education teachers annual professional development on the best-practices for special education instruction and strategies for implementation. Districts shall annually provide a summary of professional development activities to the office of the superintendent of public instruction.

(2)(a) The superintendent of public instruction shall ensure that:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2021-22 and 2022-23 school years, the

superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390, except that the calculation of the base allocation also includes allocations provided under section 504 (2) and (4) of this act and RCW 28A.150.415, which enhancement is within the program of basic education.

(b) From July 1, 2021, to August 31, 2021, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 357, Laws of 2020, as amended.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 13.5 percent.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with RCW 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) ~~(\$63,338,000)~~ \$76,334,000 of the general fund—state appropriation for fiscal year 2022, ~~(\$82,671,000)~~ \$91,192,000 of the general fund—state appropriation for fiscal year 2023, and \$29,574,000 of the general fund—federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2021-22 and 2022-23 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (education).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year, except that the superintendent of public instruction shall make award determinations for state safety net funding in July of each school year for the Washington state school for the blind and for the center for childhood deafness and hearing loss. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of ~~(\$931,000)~~ \$1,250,000 may be expended from the general fund—state appropriations to fund ~~((5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center))~~ teachers and aides at Seattle children's hospital. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated

under this program; however, carryover funds shall be expended in the special education program.

(11) \$88,000 of the general fund—state appropriation for fiscal year 2022, \$87,000 of the general fund—state appropriation for fiscal year 2023, and \$214,000 of the general fund—federal appropriation are provided solely for a special education family liaison position within the office of the superintendent of public instruction.

(12) \$5,000,000 of the general fund—state appropriation for fiscal year 2022, \$12,000,000 of the general fund—state appropriation for fiscal year 2023, and \$7,000,000 of the elementary and secondary school emergency relief III account—federal appropriation are provided solely for the office of the superintendent of public instruction to provide an allocation to school districts for extension of transition services for students with disabilities who turned age 21 during the 2019-20 or 2020-21 school years, did not graduate with a regular diploma, and require recovery services on or after July 1, 2021, as determined by the student's individualized education plan team. The extension of these services does not reduce or supplant any other services for which the individual would be eligible. Allocations for this purpose may not exceed the amounts provided in this subsection. The office of the superintendent of public instruction may adopt formulas and procedures to define a per-student amount to be provided to students that meet the criteria, so that allocations do not exceed amounts provided in this subsection. Amounts provided in this subsection are outside the state's program of basic education.

(13)(a) \$52,704,000 of the general fund—federal appropriation (ARPA) is provided solely for allocations from federal funding as authorized in section 2014, the American rescue plan act of 2021, P.L. 117-2.

(b) \$4,411,000 of the general fund—federal appropriation (ARPA) is provided solely for providing preschool services to qualifying special education students under section 619 of the federal individuals with disabilities education act, pursuant to section 2002, the American rescue plan act of 2021, P.L. 117-2.

(14) \$7,000,000 of the general fund—state appropriation for fiscal year 2022 and \$5,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to support professional development in inclusionary practices for classroom teachers. The primary form of support to public school classroom teachers must be for mentors who are experts in best practices for inclusive education, differentiated instruction, and individualized instruction. Funding for mentors must be prioritized to the public schools with the highest percentage of students with individualized education programs aged three through 21 who spend the least amount of time in general education classrooms.

(15)(a) Within amounts provided in section 501(1)(a) of this act, the office of the superintendent of public instruction shall submit a report on districts receiving funding for services to students of preschool age with disabilities, as defined in RCW 28A.155.070, for the 2022-23 school year. The report must include data on revenues and expenditures for the special education programs offered in-district or with a provider, or for special education services offered in-home or outside of traditional preschool settings, including but not limited to:

(i) Revenues received by each district;
(ii) Expenditures by district by object, activity, and national center of education statistics codes;

(iii) Expenditures by district and by object, activity, and national center of education statistics codes for children in preschool programs offered by the district;

(iv) Expenditures by district and by object, activity, and national center of education statistics codes for children in

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preschool programs offered by other providers;

(v) Expenditures by district and by object, activity, and national center of education statistics codes for children receiving special education services in-home or outside of traditional preschool settings; and

(vi) Expenditures by category of disability for children in preschool settings offered by the district or other providers, or for children receiving special education services in-home or outside of traditional preschool settings.

(b) The superintendent shall submit a preliminary report by June 30, 2023. It is the intent of the legislature that the superintendent submit a final report by December 1, 2023, and that funding for this purpose be provided in the 2023-2025 fiscal biennium operating budget.

Sec. 510. 2021 c 334 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2022)	\$28,636,000
General Fund—State Appropriation (FY 2023)	(\$28,636,000)
	<u>\$30,886,000</u>
TOTAL APPROPRIATION	(\$57,272,000)
	<u>\$59,522,000</u>

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(3) Funding in this section is provided for regional professional development related to English language arts curriculum and instructional strategies aligned with common core state standards. Each educational service district shall use this funding solely for salary and benefits for certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(4) Funding in this section is provided for regional technical support for the K-20 telecommunications network to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(5) Funding in this section is provided for a corps of nurses located at the educational service districts, to be dispatched in coordination with the office of the superintendent of public instruction, to provide direct care to students, health education, and training for school staff. Beginning in fiscal year 2022, allocations for the corps of nurses is sufficient to provide one day per week of nursing services for all second-class school districts.

(6) Funding in this section is provided for staff and support at the nine educational service districts to provide a network of

support for school districts to develop and implement comprehensive suicide prevention and behavioral health supports for students.

(7) Funding in this section is provided for staff and support at the nine educational service districts to provide assistance to school districts with comprehensive safe schools planning, conducting needs assessments, school safety and security trainings, coordinating appropriate crisis and emergency response and recovery, and developing threat assessment and crisis intervention teams. Beginning in fiscal year 2022, allocations for staff and support for regional safety centers are increased to 3 full-time equivalent certificated instructional staff for each regional safety center.

(8) Funding in this section is provided for regional English language arts coordinators to provide professional development of teachers and principals around the new early screening for dyslexia requirements.

(9) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

(10) \$2,150,000 of the general fund—state appropriation for fiscal year 2022 and (\$2,150,000) \$2,169,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for each educational service district to provide technology consultation, procurement, and training required under Engrossed Second Substitute House Bill No. 1365 (schools/computers & devices). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(11) \$1,009,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Senate Bill No. 5539 (ed. service district funding). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 511. 2021 c 334 s 511 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2022)	(\$271,870,000)
	<u>\$272,986,000</u>
General Fund—State Appropriation (FY 2023)	(\$247,305,000)
	<u>\$250,542,000</u>
<u>Coronavirus State Fiscal Recovery Fund—Federal Appropriation</u>	<u>\$63,909,000</u>
TOTAL APPROPRIATION	(\$519,175,000)
	<u>\$587,437,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$63,909,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for enrollment stabilization local effort assistance funding as required in Substitute House Bill No. 1590 (enrollment stabilization). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

Sec. 512. 2021 c 334 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General	Fund—State	Appropriation	(FY 2022)
			((17,779,000))
			<u>\$14,074,000</u>
General	Fund—State	Appropriation	(FY 2023)
			((19,481,000))
			<u>\$13,894,000</u>
TOTAL APPROPRIATION			((37,260,000))
			<u>\$27,968,000</u>

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

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$701,000 of the general fund—state appropriation for fiscal year 2022 and \$701,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) ((3,157,000)) \$1,944,000 of the general fund—state appropriation for fiscal year 2022 and ((3,613,000)) \$2,090,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to increase the capacity of institutional education programs to differentiate instruction to meet students' unique educational needs, including students with individualized educational plans. Those needs may include but are not limited to one-on-one instruction, enhanced access to counseling for social emotional needs of the student, and services to identify the proper level of instruction at the time of student entry into the facility. Allocations of amounts for this purpose in a school year must be based on 45 percent of full-time enrollment in institutional education receiving a differentiated instruction amount per pupil equal to the total statewide allocation generated by the distribution formula under RCW 28A.150.260 (4)(a), (5), (6), and (8) and the allocation under RCW 28A.150.415, per the statewide full-time equivalent enrollment in common schools.

(7) \$300,000 of the general fund—state appropriation in fiscal year 2022 and \$300,000 of the general fund—state appropriation in fiscal year 2023 are provided solely to support three student records coordinators to manage the transmission of academic records for each of the long-term juvenile institutions. One coordinator is provided for each of the following: The Issaquah school district for the Echo Glen children's center, the Chehalis school district for Green Hill academic school, and the Naselle-Grays River Valley school district for Naselle youth camp school.

(8) Ten percent of the funds allocated for the institution may be carried over from one year to the next.

(9) \$588,000 of the general fund—state appropriation for fiscal year 2022 and \$897,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one educational advocate to each institution with enrollments above 40 full-time equivalent students beginning in the 2021-22 school year in addition to any educational advocates supported by federal funding. Educational advocates will provide the following supports to students enrolled in or just released from institutional education programs:

(a) Advocacy for institutional education students to eliminate barriers to educational access and success;

(b) Consultation with juvenile rehabilitation staff to develop educational plans for and with participating youth;

(c) Monitoring educational progress of participating students;

(d) Providing participating students with school and local resources that may assist in educational access and success upon release from institutional education facilities; and

(e) Coaching students and caregivers to advocate for educational needs to be addressed at the school district upon return to the community.

(10) \$49,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to increase materials, supplies, and operating costs by \$85 per pupil beginning in the 2021-22 school year for technology supports for institutional education programs. This funding is in addition to general education materials, supplies, and operating costs provided to institutional education programs, which exclude formula costs supported by the institutional facilities.

(11) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to support instruction in cohorts of students grouped by similar age and academic levels.

Sec. 513. 2021 c 334 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General	Fund—State	Appropriation	(FY 2022)
			((33,262,000))
			<u>\$31,926,000</u>
General	Fund—State	Appropriation	(FY 2023)
			((33,711,000))
			<u>\$32,176,000</u>
TOTAL APPROPRIATION			((66,973,000))
			<u>\$64,102,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2021-22 and 2022-23 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c) except that allocations must be based on 5.0 percent of each school district's full-time equivalent enrollment. In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the compensation rates as provided in sections 505 and 506 of this act.

(b) From July 1, 2021, to August 31, 2021, the superintendent shall allocate funding to school districts programs for highly

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capable students as provided in section 511, chapter 357, Laws of 2020, as amended.

Sec. 514. 2021 c 334 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY STUDENT SUCCEEDS ACT

General Fund—Federal Appropriation	(((\$6,802,000))
	<u>\$9,802,000</u>
TOTAL APPROPRIATION	(((\$6,802,000))
	<u>\$9,802,000</u>

Sec. 515. 2021 c 334 s 515 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2022)	(((\$137,813,000))
	<u>\$134,083,000</u>
General Fund—State Appropriation (FY 2023)	(((\$141,081,000))
	<u>\$138,519,000</u>
General Fund—Federal Appropriation	(((\$96,598,000))
	<u>\$96,683,000</u>
General Fund—Private/Local Appropriation	\$1,450,000
Education Legacy Trust Account—State Appropriation	(((\$1,638,000))
	<u>\$1,642,000</u>
TOTAL APPROPRIATION	(((\$378,580,000))
	<u>\$372,377,000</u>

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

(1) ACCOUNTABILITY

(a) \$26,975,000 of the general fund—state appropriation for fiscal year 2022, \$26,975,000 of the general fund—state appropriation for fiscal year 2023, \$1,350,000 of the education legacy trust account—state appropriation, and \$15,868,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington state assessment system.

(b) \$14,352,000 of the general fund—state appropriation for fiscal year 2022 and \$14,352,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 159, Laws of 2013 (K-12 education - failing schools).

(2) EDUCATOR CONTINUUM

(a) (((\$75,374,000)) \$71,644,000 of the general fund—state appropriation for fiscal year 2022 and (((\$78,547,000)) \$75,805,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of \$5,705 per teacher in the 2021-22 school year and a bonus of (((\$5,796)) \$6,019 per teacher in the 2022-23 school year;

(ii) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced-price lunch;

(iii) The superintendent of public instruction shall adopt rules

to ensure that national board certified teachers meet the qualifications for bonuses under (b) of this subsection for less than one full school year receive bonuses in a prorated manner. All bonuses in this subsection will be paid in July of each school year. Bonuses in this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(iv) During the 2021-22 and 2022-23 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary allocation and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after fully exhausting all years of candidacy as set by the national board for professional teaching standards are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(b) \$3,418,000 of the general fund—state appropriation for fiscal year 2022 and \$3,418,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(c) \$477,000 of the general fund—state appropriation for fiscal year 2022 and \$477,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(d) \$810,000 of the general fund—state appropriation for fiscal year 2022 and \$810,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to operate a state-of-the-art education leadership academy that will be accessible throughout the state. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(e) \$10,500,000 of the general fund—state appropriation for fiscal year 2022 and \$10,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a beginning educator support program (BEST). The program shall prioritize first year educators in the mentoring program. School districts and/or regional consortia may apply for grant funding. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning

educator aligned with professional certification; release time for mentors and new educators to work together; and educator observation time with accomplished peers. Funding may be used to provide statewide professional development opportunities for mentors and beginning educators.

(f) \$4,000,000 of the general fund—state appropriation for fiscal year 2022 and \$4,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the provision of training for teachers, principals, and principal evaluators in the performance-based teacher principal evaluation program.

Sec. 516. 2021 c 334 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General	Fund—State	Appropriation	(FY 2022)	
				(((\$228,658,000))
				<u>\$217,022,000</u>
General	Fund—State	Appropriation	(FY 2023)	
				(((\$233,390,000))
				<u>\$218,054,000</u>
General	Fund—Federal	Federal Appropriation		\$102,242,000
TOTAL APPROPRIATION				(((\$564,290,000))
				<u>\$537,318,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2021-22 and 2022-23 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student in grades kindergarten through six and 6.7780 hours per week per transitional bilingual program student in grades seven through twelve in school years 2021-22 and 2022-23; (ii) additional instruction of 3.0000 hours per week in school years 2021-22 and 2022-23 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iii) fifteen transitional bilingual program students per teacher; (iv) 36 instructional weeks per year; (v) 900 instructional hours per teacher; and (vi) the compensation rates as provided in sections 505 and 506 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional hours specified in (a)(ii) of this subsection (2) are within the program of basic education.

(b) From July 1, 2021, to August 31, 2021, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 357, Laws of 2020, as amended.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: ((1.77)) 1.89 percent for school year 2021-22 and ((1.76)) 1.88 percent for school year 2022-23.

(4) The general fund—federal appropriation in this section is for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(5) \$35,000 of the general fund—state appropriation for fiscal

year 2022 and \$35,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to track current and former transitional bilingual program students.

(6) \$1,185,000 of the general fund—state appropriation in fiscal year 2022 and \$1,185,000 of the general fund—state appropriation in fiscal year 2023 are provided solely for the central provision of assessments as provided in RCW 28A.180.090, and is in addition to the withholding amounts specified in subsection (3) of this section.

Sec. 517. 2021 c 334 s 517 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General	Fund—State	Appropriation	(FY 2022)	
				(((\$446,816,000))
				<u>\$449,472,000</u>
General	Fund—State	Appropriation	(FY 2023)	
				(((\$455,435,000))
				<u>\$447,888,000</u>
General	Fund—Federal	Federal Appropriation		\$533,481,000
Coronavirus	State	Fiscal Recovery	Fund—Federal	
<u>Appropriation</u>				<u>\$26,382,000</u>
TOTAL APPROPRIATION				(((\$1,435,732,000))
				<u>\$1,457,223,000</u>

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

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

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2021-22 and 2022-23 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2021-22 and 2022-23 school years; (B) additional instruction of 1.1 hours per week per funded learning assistance program student for the 2021-22 and 2022-23 school years in qualifying high-poverty school building; (C) fifteen learning assistance program students per teacher; (D) 36 instructional weeks per year; (E) 900 instructional hours per teacher; and (F) the compensation rates as provided in sections 505 and 506 of this act.

(ii) From July 1, 2021, to August 31, 2021, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 357, Laws of 2020, as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced-price lunch in the prior school year. The prior school year's October headcount enrollment for free and reduced-price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of

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the state auditor on the learning assistance program dated February, 2010.

(3) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the every student succeeds act of 2016.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) Within existing resources, during the 2021-22 and 2022-23 school years, school districts are authorized to use funds allocated for the learning assistance program to also provide assistance to high school students who have not passed the state assessment in science.

(6) In addition to funding allocated under RCW 28A.150.260(10), the superintendent must allocate the following additional learning assistance program amounts to school districts from the coronavirus state fiscal recovery fund—federal appropriation:

(a) High poverty-based allocations in the 2022-23 school year for schools not eligible in the 2022-23 school year that were eligible for high poverty allocation in the previous school year.

(b) Allocations necessary to increase a school district's allocations under RCW 28A.150.260(10)(a)(i) up to an amount that would be generated based on the district's percentage of October headcount in grades K-12 eligible for free or reduced-price lunch in the 2019-20 school year if greater than the percentage allowed under RCW 28A.150.260(10)(a)(i).

Sec. 518. 2021 c 334 s 518 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PER PUPIL ALLOCATIONS

Statewide Average Allocations
Per Annual Average Full-Time Equivalent Student

	2021-22 School Year	2022-23 School Year
Basic Education Program		
General Apportionment	(((\$9,415)) <u>\$9,405</u>)	(((\$9,671)) <u>\$10,098</u>)
Pupil Transportation	(((\$587)) <u>\$623</u>)	(((\$595)) <u>\$644</u>)
Special Education Programs	(((\$9,874)) <u>\$9,976</u>)	(((\$10,290)) <u>\$10,812</u>)
Institutional Education Programs	(((\$22,730)) <u>\$26,347</u>)	(((\$23,220)) <u>\$27,779</u>)
Programs for Highly Capable Students	\$611	(((\$623)) <u>\$645</u>)
Transitional Bilingual Programs	(((\$1,430)) <u>\$1,442</u>)	(((\$1,442)) <u>\$1,509</u>)
Learning Assistance Program	(((\$961)) <u>\$964</u>)	(((\$967)) <u>\$1,011</u>)

Sec. 519. 2021 c 334 s 519 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocation purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an

enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) When adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (4) of this section.

(4) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2022, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2022 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; highly capable programs; and learning assistance programs.

(5) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

(6) Appropriations in sections 504 and 506 of this act for insurance benefits under chapter 41.05 RCW are provided solely for the superintendent to allocate to districts for employee health benefits as provided in ((section 942 of this act)) section 934 of this act. The superintendent may not allocate, and districts may not expend, these amounts for any other purpose beyond those authorized in ((section 942 of this act)) section 934 of this act.

((5)) (7) As required by RCW 28A.710.110, the office of the superintendent of public instruction shall transmit the charter school authorizer oversight fee for the charter school commission to the charter school oversight account.

Sec. 520. 2021 c 334 s 520 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS

Washington Opportunity Pathways Account—State Appropriation	Coronavirus State Fiscal Recovery Fund—Federal Appropriation
(((\$140,838,000)) <u>\$145,786,000</u>)	<u>\$1,667,000</u>
TOTAL APPROPRIATION	(((\$140,838,000)) <u>\$147,453,000</u>)

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

(1) The superintendent shall distribute funding appropriated in this section to charter schools under chapter 28A.710 RCW. Within amounts provided in this section the superintendent may distribute funding for safety net awards for charter schools with demonstrated needs for special education funding beyond the amounts provided under chapter 28A.710 RCW.

(2) \$23,000 of the Washington opportunity pathways account—state appropriation is provided solely for enrollment stabilization allocations required in section 1519 of this act.

(3) \$147,000 of the Washington opportunity pathways account—state appropriation is provided solely for transportation emergency allocations required in section 1516(3) of this act.

(4) \$1,667,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for enrollment stabilization allocations pursuant to Substitute House Bill No. 1590 (enrollment stabilization). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 521. 2021 c 334 s 521 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION

Washington Opportunity Pathways Account—State Appropriation	\$23,000
Charter Schools Oversight Account—State Appropriation	(((\$3,605,000))
	<u>\$3,882,000</u>
TOTAL APPROPRIATION	(((\$3,628,000))
	<u>\$3,905,000</u>

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

(1) The entire Washington opportunity pathways account—state appropriation in this section is provided to the superintendent of public instruction solely for the operations of the Washington state charter school commission under chapter 28A.710 RCW.

(2) \$28,000 of the charter schools oversight account—state appropriation is provided solely to the Washington state charter school commission to enable each charter school to participate in the governance training required under Engrossed Substitute Senate Bill No. 5044 (schools/equity training). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(3) \$238,000 of the charter schools oversight account—state appropriation is provided solely for office of the attorney general legal services related to litigation challenging the commission's authority to oversee and regulate charter schools.

Sec. 522. 2021 c 334 s 522 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GRANTS AND PASS THROUGH FUNDING

General Fund—State Appropriation (FY 2022)	(((\$80,319,000))
	<u>\$80,493,000</u>
General Fund—State Appropriation (FY 2023)	(((\$52,691,000))
	<u>\$78,255,000</u>
General Fund—Federal Appropriation	\$989,995,000
Elementary and Secondary School Emergency Relief III—Federal Appropriation	(((\$1,850,386,000))
	<u>\$1,850,527,000</u>
TOTAL APPROPRIATION	(((\$2,973,391,000))
	<u>\$2,999,270,000</u>

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

(1) \$4,894,000 of the general fund—state appropriation for fiscal year 2022 and \$4,894,000 of the general fund—state appropriation for fiscal year 2023 are provided for the office of the superintendent of public instruction to administer programs and grants which increase equitable access to dual credit programs, including subsidizing or eliminating student costs for dual credit courses or exams. By November 2022, the office shall submit a report to relevant committees of the legislature describing options for entering into statewide agreements with dual credit exam companies that will reduce the overall costs for all students and eliminate costs for students who are low income.

(2)(a) \$2,752,000 of the general fund—state appropriation for

fiscal year 2022 and \$2,752,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008, including parts of programs receiving grants that serve students in grades four through six. If equally matched by private donations, \$1,075,000 of the 2022 appropriation and \$1,075,000 of the 2023 appropriation shall be used to support FIRST robotics programs in grades four through twelve. Of the amounts provided in this subsection, \$800,000 of the fiscal year 2022 appropriation and \$800,000 of the fiscal year 2023 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(b) \$135,000 of the general fund—state appropriation for fiscal year 2022 and \$135,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(c) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2022, a high school must have offered a foundational project lead the way course during the 2020-21 school year. The 2022 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2021-22 school year. To be eligible for funding in 2023, a high school must have offered a foundational project lead the way course during the 2021-22 school year. The 2023 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2022-23 school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(d) \$2,127,000 of the general fund—state appropriation for fiscal year 2022 and \$2,127,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for annual startup, expansion, or maintenance of core plus programs in maritime, construction, and aerospace and advanced manufacturing programs. To be eligible for funding to start up, maintain, or expand programs under (i) through (iii) of this subsection (d), the skills center and high schools must be selected through a competitive grant process administered by the office of the superintendent of public instruction in consultation with the advisory committee established in (vi) of this subsection (d). The office and the education research and data center shall report annually student participation and long-term outcome data. Within the amounts provided in this subsection:

(i) \$900,000 of the general fund—state appropriation for fiscal year 2022 and \$900,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants for the annual startup, expansion, or maintenance of core plus programs in aerospace and advanced manufacturing programs.

(ii) \$350,000 of the general fund—state appropriation for fiscal year 2022 and \$350,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants for the annual startup, expansion, or maintenance of core plus programs in construction programs.

(iii) \$350,000 of the general fund—state appropriation for fiscal year 2022 and \$350,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants for the annual startup, expansion, or maintenance of core plus

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programs in maritime programs.

(iv) For (i) through (iii) of this subsection (d), when the grant demand does not align with the specified allocation, the superintendent may allocate funding toward sector areas that meet criteria based on agreement from industry sector representatives.

(v) \$527,000 of the general fund—state appropriation for fiscal year 2022 and \$527,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to administer, evaluate, and promote programs under (i) through (iii) of this subsection (d) based on industry sector recommendations, including contracts with sector-specific entities to expand sector-specific employer engagement programs, increase work placement opportunities, validate credentials necessary for direct employment, and provide professional development to support schools, teachers, and students. The office may also contract with an entity with experience promoting core plus programming across industry sectors and education providers to expand awareness and adoption of core plus programs.

(vi) The office shall convene and manage an advisory committee of industry sector leadership from the core plus program areas and a representative from a statewide business and manufacturing association to inform the administration and continual improvement of core plus programs, including grant determinations, reviewing data and outcomes, recommending program improvements, and ensuring the use of qualified contractors. The committee will advise the superintendent on appropriate credentials, industry-based competencies, and programs of study for high-demand sectors represented in these program areas.

(3)(a) \$75,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for project citizen and we the people: The citizen and the constitution programs sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle and high school students. Of the amounts provided, \$15,000 of the general fund—state appropriation for fiscal year 2022 and \$15,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for awarding a travel grant to the winner of the we the people: The citizen and the constitution state competition.

(b) \$373,000 of the general fund—state appropriation for fiscal year 2022 and \$373,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 127, Laws of 2018 (civics education). Of the amounts provided in this subsection (3)(b), \$10,000 of the general fund—state appropriation for fiscal year 2022 and \$10,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grant programs to school districts to help cover travel costs associated with civics education competitions.

(4)(a) \$55,000 of the general fund—state appropriation for fiscal year 2022 and \$55,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction for statewide implementation of career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for math and science. This may include development of additional equivalency course frameworks, course performance assessments, and professional development for districts implementing the new frameworks.

(b) Within the amounts appropriated in this section the office of the superintendent of public instruction shall ensure career and technical education courses are aligned with high-demand, high-wage jobs. The superintendent shall verify that the current list of career and technical education courses meets the criteria

established in RCW 28A.700.020(2). The superintendent shall remove from the list any career and technical education course that no longer meets such criteria.

(c) \$3,000,000 of the general fund—state appropriation for fiscal year 2022 and (((\$3,000,000)) ~~\$5,000,000~~) of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to provide grants to school districts and educational service districts for science teacher training in the next generation science standards including training in the climate science standards. At a minimum, school districts shall ensure that teachers in one grade level in each elementary, middle, and high school participate in this science training. Of the amount appropriated \$1,000,000 is provided solely for community-based nonprofits including tribal education organizations to partner with public schools for next generation science standards.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Kip Tokuda memorial Washington civil liberties public education program. The superintendent of public instruction shall award grants consistent with RCW 28A.300.410.

(6) \$5,895,000 of the general fund—state appropriation for fiscal year 2022 and \$5,895,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a contract with a nongovernmental entity or entities for demonstration sites to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016 (foster youth edu. outcomes). The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(a) Of the amount provided in this subsection (6), \$446,000 of the general fund—state appropriation for fiscal year 2022 and \$446,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the demonstration site established pursuant to the 2013-2015 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013, 2nd sp. sess.

(b) Of the amount provided in this subsection (6), \$1,015,000 of the general fund—state appropriation for fiscal year 2022 and \$1,015,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the demonstration site established pursuant to the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(c) Of the amounts provided in this subsection (6), \$684,000 of the general fund—state appropriation for fiscal year 2022 and \$684,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the demonstration site established with funding provided in the 2017-2019 omnibus appropriations act, chapter 1, Laws of 2017, 3rd sp. sess., as amended.

(d) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the demonstration site established with funding provided in this act.

(e) \$55,000 of the general fund—state appropriation for fiscal year 2022 and \$55,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for maintaining and implementing the data sharing agreement between the office, the department of children, youth, and families, and the contractors to support targeted service delivery, program evaluation, and statewide education outcomes measurement for students served under this section.

(7)(a) \$1,200,000 of the general fund—state appropriation for fiscal year 2022 and \$1,200,000 of the general fund—state

appropriation for fiscal year 2023 are provided solely for implementation of chapter 157, Laws of 2016 (homeless students).

(b) \$36,000 of the general fund—state appropriation for fiscal year 2022 and \$36,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for chapter 212, Laws of 2014 (homeless student educational outcomes).

(8) \$375,000 of the general fund—state appropriation for fiscal year 2022 and \$375,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a nonviolence and ethical leadership training and professional development program provided by the institute for community leadership.

(9)(a) \$1,425,000 of the general fund—state appropriation for fiscal year 2022 and \$1,425,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for dual language grants to grow capacity for high quality dual language learning. Grant funding may be used for new and existing dual language programs, heritage language programs for immigrant and refugee students, and indigenous language programs for native students.

(b) Each grant recipient must convene an advisory board to guide the development and continuous improvement of its dual language program, including but not limited to: Determining which schools and languages will be prioritized; conducting outreach to the community; and addressing enrollment considerations and the hiring of staff. At least half the members of the board must be parents of English learner students or current or former English learner students. The other members of the board must represent teachers, students, school leaders, governing board members, youth, and community-based organizations that support English learners.

(10)(a) \$4,940,000 of the general fund—state appropriation for fiscal year 2022 and \$4,940,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington state achievers scholarship and Washington higher education readiness program. The funds shall be used to: Support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars; and to identify and reduce barriers to college for low-income and underserved middle and high school students. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(b) \$1,454,000 of the general fund—state appropriation for fiscal year 2022 and \$1,454,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(c) \$362,000 of the general fund—state appropriation for fiscal year 2022 and \$362,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 180, Laws of 2017 (Washington Aim program).

(11)(a) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities, including instructional material purchases, teacher and principal professional development, and school and community engagement events. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment

with the measures of the Washington school improvement framework.

(b)(i) \$3,000,000 of the general fund—state appropriation for fiscal year 2022 and \$3,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a statewide information technology academy program. This public-private partnership will provide educational software, as well as information technology certification and software training opportunities for students and staff in public schools for the 2021-22 and 2022-23 school years only. The office must evaluate other options that may be available in the state for a future public-private partnership to deliver similar services to students and staff of public schools at no cost to the state.

(ii) The office must require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework. The report must include the number of students served disaggregated by gender, race, ethnicity, and free-and-reduced lunch eligibility as well as the number of industry certificates attained by type of certificate.

(c) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$50,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants of \$2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(d) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the computer science and education grant program to support the following three purposes: Train and credential teachers in computer sciences; provide and upgrade technology needed to learn computer science; and, for computer science frontiers grants to introduce students to and engage them in computer science. The office of the superintendent of public instruction must use the computer science learning standards adopted pursuant to chapter 3, Laws of 2015 (computer science) in implementing the grant, to the extent possible. Additionally, grants provided for the purpose of introducing students to computer science are intended to support innovative ways to introduce and engage students from historically underrepresented groups, including girls, low-income students, and minority students, to computer science and to inspire them to enter computer science careers. The office of the superintendent of public instruction may award up to \$500,000 each year, without a matching requirement, to districts with greater than fifty percent of students eligible for free and reduced-price meals. All other awards must be equally matched by private sources for the program, including gifts, grants, or endowments.

(e) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to contract with a qualified 501(c)(3) nonprofit community-based organization physically located in Washington state that has at least 18 years of experience collaborating with the office and school districts statewide to integrate the state learning standards in English language arts, mathematics, and science with FieldSTEM outdoor field studies and project-based and work-based learning opportunities aligned with the environmental, natural resource, and agricultural sectors. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(f) \$62,000 of the general fund—state appropriation for fiscal year 2022 and \$62,000 of the general fund—state appropriation

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for fiscal year 2023 are provided solely for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(i) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(ii) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

(g) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

(12) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$85,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the centrum program at Fort Worden state park.

(13) ((\$750,000)) (a) \$788,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for contracts with Washington state based nonprofit organizations that provide a career-integrated one-to-one mentoring program for disadvantaged high school students facing academic and personal challenges with the goal of keeping them on track for graduation and post-high school success. The mentoring must include a focus on college readiness, career exploration and social-emotional learning. An applicant requesting funding for these dollars must successfully demonstrate to the department that it currently provides a career-integrated one-to-one volunteer mentoring program and has been mentoring high school youth for at least twenty years in the state prior to application.

(b) Of the amounts provided in this subsection, \$38,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the office to contract with a Washington-based nonprofit organization that provides one-to-one mentoring through a volunteer-supported network for disadvantaged youth facing academic and personal challenges to provide supportive services for youth who are experiencing mental and behavioral health crises due to the pandemic. Funding may also be used to assist youth mentors, and for staff who provide services to youth and their families and are experiencing secondary trauma. The organization must be affiliated with a national volunteer-supported mentoring network and have been providing one-to-one volunteer mentoring programs for at least 20 years in the state.

(14) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to contract with an organization to create an after-school and summer learning program in the city of Federal Way. The program shall provide comprehensive, culturally competent academic support and cultural enrichment for primarily latinx, spanish-speaking, low-income sixth, seventh, and eighth grade students. The department must contract with an organization with over forty years of experience that serves the latino community in Seattle and King county and has previously established an after-

school and summer learning program.

(15) \$850,000 of the general fund—state appropriation for fiscal year 2022 and \$850,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to create and administer a grant program for districts to reduce associated student body fees or participation fees for students who are eligible to participate in the federal free and reduced-price meals program. The office must distribute grants for the 2021-22 school year to school districts by August 10, 2021, and grants for the 2022-23 school year by August 1, 2022.

(a) Grant awards must be prioritized in the following order:

(i) High schools implementing the United States department of agriculture community eligibility provision;

(ii) High schools with the highest percentage of students in grades nine through twelve eligible to participate in the federal free and reduced-price meals program; and

(iii) High schools located in school districts enrolling 5,000 or fewer students.

(b) High schools that do not comply with the data collection and reporting requirements in RCW 28A.320.540 are not eligible for grant funding.

(c) The office of the superintendent of public instruction shall award grants that are the lesser of the cost of the high school's associated student body card multiplied by the number of students eligible for the free or reduced-price meals program that purchased a student body card in either 2018-19 or 2019-20 school year, whichever is higher, or \$10,000.

(d) The office may award additional funding if:

(i) The appropriations provided are greater than the total amount of funding requested at the end of the application cycle; and

(ii) The applicant shows a demonstrated need for additional support.

(16) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the south Kitsap school district to codevelop a pilot strategy to increase completion rates for the free application for federal student aid (FAFSA).

(17) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to contract with a Washington-based nonprofit organization to promote equitable access in science, technology, engineering, and math education for historically underserved students and communities. The nonprofit shall provide a system of science educational programming specifically for migrant and bilingual students, including teacher professional development, culturally responsive classroom resources that are aligned with Washington state science and environmental and sustainability learning standards, and implementation support. At least 50 percent of the funding provided in this subsection must serve schools and school districts in eastern Washington. The nonprofit organization must have experience developing and implementing science and environmental science programming and resources for migrant and bilingual students.

(18) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit organization serving opportunity youth in Pierce, King and Snohomish counties. The organization must assist traditionally underrepresented students on nontraditional

educational pathways by providing mentorship and technical assistance in navigating higher education and financial aid. The office may require the recipient of these funds to report the impacts of the efforts in alignment with the measures of the Washington school improvement framework.

(19) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to administer a grants program for school districts to acquire and use research-based, social emotional learning curricula in accordance with the state social emotional learning standards. The office must prioritize school districts that do not have existing research based social emotional learning programs and that are also eligible for high-poverty allocations from the learning assistance program.

(20) \$250,000 of the general fund—state appropriation for fiscal year 2022 and \$250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to contract with a nonprofit organization that specializes in using e-sports to engage students in seven career clusters to bring team-based, career related e-sports programs to each high school in the Battle Ground, Evergreen, and Vancouver school districts. Any funding remaining may be used for e-sports programs in the middle schools of the three school districts.

(21) \$1,399,000 of the general fund—state appropriation for fiscal year 2022 and \$1,399,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for school districts to support youth who are truant under chapter 28A.225 RCW or at risk of becoming truant, and for costs associated with filing or serving petitions under RCW 28A.225.030.

(22) The general fund—state appropriations in this section for fiscal year 2022 have been reduced by \$24,000 ((and the general fund—state appropriations in this section for fiscal year 2023 have been reduced by \$5,000)) to reflect global compensation savings. The office of financial management, in consultation with the office of the superintendent of public instruction, shall adjust allotments from the appropriations in this section, including allotments of amounts provided solely for a specific purpose, to reflect the reduction to the overall appropriation.

(23) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office to contract with an organization that works with educators to secure salmon eggs, offer learning opportunities as the fry develop, and assist when students release their fry into local creeks and lakes. Funding may only be used for new programs located in elementary schools that are eligible for high-poverty allocations from the learning assistance program. Of the amounts provided in this subsection, the office may use no more than \$35,000 each fiscal year for office administration costs related to the contract.

(24) \$9,850,000 of the general fund—state appropriation for fiscal year 2022 and \$9,850,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of the superintendent of public instruction to administer the technology grant program established under Engrossed Second Substitute House Bill No. 1365 (schools/computers & devices). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(25) \$199,000 of the general fund—state appropriation for fiscal year 2022 and \$247,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the media literacy and digital citizenship grant program created in Engrossed Second Substitute House Bill No. 1365 (schools/computers & devices). Total grant awards may not exceed \$150,000. Of the amounts provided in this subsection,

\$50,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for two regional conferences. ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(26) \$70,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the southwest boys & girls club to provide community mentoring, academic intervention, and culturally specific supports through the "be great-graduate initiative" for a cohort of White Center youth identified as high risk.

(27) (((\$250,000)) \$236,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$14,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for grants to support teachers with costs associated with becoming certified, endorsed, or licensed in computer science including, but not limited to, professional development, training, licensure exams, courses in pedagogy, and courses in computer science content. Entities eligible for these funds include, but are not limited to, individual teachers, local education agencies, approved professional learning providers, and institutions of higher education located in Washington state.

(28) (((\$150,000)) \$300,000 of the general fund—state appropriation for fiscal year 2022 and (((\$150,000)) \$450,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Highline school district to contract with an organization to offer pre-apprenticeship opportunities for at least two cohorts of students each year in south King county during the summer months of 2021, 2022, and 2023. Students from the Highline school district and neighboring school districts in south King county are eligible for the program.

(29) \$255,000 of the general fund—state appropriation for fiscal year 2022 and \$255,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the continuation of the math improvement pilot program. The entirety of the funds appropriated for fiscal year 2022 must be disbursed by the office to the recipients of the grants no later than August 1, 2021, and the entirety of the funds appropriated for fiscal year 2023 must be disbursed by the office to the recipients of the grants no later than August 1, 2022. Of the amounts provided in the subsection:

(a) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$85,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Spokane school district.

(b) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$85,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Chehalis school district.

(c) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$85,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Bremerton school district.

(30) Within existing resources, the office shall develop recommendation to the legislature to merge the grant programs and specific appropriations of pass-through funding for certain activities or entities in this section into a competitive grant funding process in future biennia. A competitive process must allocate funding using the following five separate categories:

(a) Student supports and safety. Programs under this category will support the mental, social-emotional, and physical safety of students;

(b) Educator growth and development. Programs under this category will support the recruitment and retention of educators, and support their continual professional growth;

(c) Curricula development, dissemination, and supports. Programs under this category will support the development,

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implementation, and continuous improvement of curricula and other programs specific to state learning standards and content areas;

(d) Eliminating inequitable student outcomes. Programs under this category will increase outcomes for specific student groups, including students experiencing homelessness or foster care; and

(e) Graduation success and preparation for postsecondary pathways. Programs under this category will increase access to graduation pathways aligned with students' postsecondary goals and support for each student to graduate ready to achieve those goals. These may include dual credit programs; dropout prevention, intervention, and reengagement programs; core plus programs; and other high demand career and technical education programs.

(31) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the south Kitsap school district for the controls programmer apprenticeship program.

(32) \$800,000 of the general fund—state appropriation for fiscal year 2022 and (((\$800,000)) \$5,300,000) of the general fund—state appropriation for fiscal year 2023 are provided solely for transitional support grants to school districts to support schools that incur costs transitioning from Native American school mascots, logos, or team names under section 3 of Substitute House Bill No. 1356 (Native American names, etc.).

(33) \$10,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to administer an outdoor learning grant program to develop and support outdoor educational experiences for students in Washington public schools. The office must award grants to eligible school districts and outdoor education program providers starting in the 2022-23 school year. The office may consult with the Washington recreation and conservation office on outdoor learning program grants. Of the amounts provided in this subsection:

(a) \$195,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to implement Second Substitute House Bill No. 2078 (outdoor learning grant prg.). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(b) \$3,903,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the outdoor learning grant program, which consists of two types of grants:

(i) Allocation-based grants for school districts to develop or support outdoor educational experiences; and

(ii) Competitive grants for outdoor education providers that are designed to support existing capacity and to increase future capacity for outdoor learning experiences.

(c) \$5,902,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the outdoor education experiences program. The office must prioritize providing the program to fifth and sixth grade students in high poverty schools, expanding to other fifth and sixth grade students subject to available funds.

(34) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for an education and workforce pathway pilot program at the northwest career and technical academy. The pilot program will oversee a pathway including high schools, skills centers, community and technical colleges, and employers that results in students earning a high school diploma and an associate in technical arts degree, while maintaining summer employment.

(35) \$150,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office of the superintendent of public instruction to administer grants to school

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districts for a plant-based school meals pilot program. Grant recipients may use the funding for food supplies, delivery costs, equipment purchases, education, and other expenditures to increase access to plant-based school meals. Grant awards to school districts may not exceed \$10,000 per district.

(36) \$148,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to provide before and after-school programming to low-income elementary school students in the Tukwila school district. Funding in this subsection may be distributed to the Tukwila school district or to local before or after-school program providers that provide child care for low-income elementary school students in the school district.

(37) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Tacoma school district to identify specific career-relevant coursework and facility needs for the development of a comprehensive maritime-focused career and technical education program in the south Puget Sound area. Funding must be used by the district to engage with the maritime industry in and around the port of Tacoma to conduct a workforce training gap analysis. The district must also coordinate with the office, the state board of education, and the workforce training board to create the relevant curriculum and identify facility needs to establish a new marine trades program.

(38) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to contract with an organization to expand the senior support initiative that helps high school seniors in the Tacoma school district navigate their postsecondary pathway options. The organization may provide support to Tacoma school district seniors through academic supports, financial aid and scholarships, college entry and communication, workforce entry and apprenticeships, housing, child care, and other basic needs. The organization must be a foundation focused on students that coordinates the efforts of parents, youth, community, and policymakers across multiple sectors to address equity gaps facing children and youth in the Tacoma school district.

(39) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to contract with a nonprofit organization to develop and provide a Latino youth-on-youth gang violence prevention program for students. The program must target Latino students ages 11 through 17 who are either involved in or at risk of becoming involved in a gang or in gang activities. Eligible students must be enrolled in either the Moses Lake or Federal Way school districts. The nonprofit organization must have at least 15 years of experience serving Latino communities and promoting advocacy and must provide kindergarten through 12th grade social emotional learning, mental health wraparound services, and parent engagement programs in Washington.

(40)(a) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to administer a pilot program to subsidize eligible dual or concurrent enrollment course costs for students who qualify for free or reduced-price meals and are participating in dual enrollment courses offered by one of three community colleges designated by the office and the state board of community and technical colleges. Eligible dual enrollment course programs include the running start and college in the high school programs. One of the community colleges must be located in a county with a population greater than 125,000 but less than 150,000.

(b) The office must subsidize the course costs by transmitting to each of the three institutions of higher education \$1,000 per full-time equivalent student during the 2022-23 academic year. For eligible students who qualify for free or reduced-price meals and are enrolled in running start courses, the pilot program must

subsidize:

(i) Any student-voted fees, technology fees, course fees, laboratory fees, or other fees required for enrollment, up to 17 credits per quarter, that were not waived by the institution of higher education under RCW 28A.600.310; and

(ii) Textbooks and other course materials required by the institution of higher education.

(c) Any funds remaining after the office subsidizes the costs included in (b) of this subsection may be used to subsidize waived fees or transportation costs for eligible students who qualify for free or reduced-price meals and are enrolled in running start courses.

(d) The office must submit a preliminary report to the legislature by June 30, 2023, on the results of the pilot program. It is the intent of the legislature to provide funding for a final report due to the legislature by August 31, 2023.

(41) \$468,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to contract with a nonprofit organization to establish a workforce pilot program with the Vancouver school district that provides targeted training to expand the school district's candidate pool for school bus drivers and paraeducators. The nonprofit organization must be based in Vancouver, Washington and must have experience assisting individuals in becoming economically self-sufficient by providing resources, training, and job placement opportunities. By June 30, 2023, the office will collaborate with the nonprofit organization and the Vancouver school district to submit a report to the legislature with results of the workforce pilot program and recommendations for expanding the program.

(42) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to contract with the association of Washington school principals to provide support, mentoring, mediation, and professional learning services to school principals and assistant principals in the greater Seattle area.

(43) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to school districts and educational service districts operating institutional education programs for youth in state long-term juvenile institutions to provide access to computer science elective courses created in Senate Bill No. 5657 (computer science instruction). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(44) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the grant program created in Second Substitute Senate Bill No. 5720 (student financial literacy) which provides grants to school districts for integrating financial literacy education into professional development for certificated staff. If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(45) \$1,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to school districts, charter schools, and state-tribal education compact schools to establish K-12 intensive tutoring programs. Grants shall be used to recruit, train, and hire tutors to provide one-on-one tutoring services to K-12 students experiencing learning loss as a result of the COVID-19 pandemic. The tutors must receive training in proven tutoring models to ensure their effectiveness in addressing learning loss.

(46) \$3,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the office to distribute after-exit running start grants to school districts that identify running start students that have exceeded maximum enrollment under running start formulas and high school graduates who have 15 or fewer college credits to earn before meeting associate degree requirements for instruction not funded under section 504(18) of

this act. High school graduates who meet these requirements are eligible to receive funds from these grants for fees to the community and technical college to earn up to 15 college credits during the summer academic term following their high school graduation.

(47) FEDERAL GRANTS FOR COVID-19 RECOVERY

(a) \$12,885,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(4), the American rescue plan act of 2021, P.L. 117-2 is provided solely to administer a grant program for community-based organizations to collaborate with school districts to support learning recovery and acceleration.

(b) \$742,367,000 of the general fund—federal appropriation (CRRSA/ESSER) from funds attributable to subsection 313(c), the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M is provided solely for subgrants to local education agencies. Total subgrants awarded under this subsection (((33))) (47)(b) and section 12, chapter 3, Laws of 2021 may not exceed the federal amounts provided under subsection 313(c), the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M.

(c)(i) \$46,263,000 of the general fund—federal appropriation (CRRSA/GEER) is provided solely to provide emergency assistance to nonpublic schools, as authorized in section 312(d), the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M. Total funds provided under this subsection (((33))) (47)(c)(i) and section 13, chapter 3, Laws of 2021 may not exceed the federal amounts provided in section 312(d), the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M.

(ii) \$43,708,000 of the general fund—federal appropriation (ARPA) is provided solely to provide emergency assistance to nonpublic schools, as authorized in section 2002, the American rescue plan act of 2021, P.L. 117-2.

(d) \$1,333,801,000 of the elementary and secondary school emergency relief III account—federal appropriation is provided solely for allocations from funds attributable to subsection 2001(e)(2) the American rescue plan act of 2021, P.L. 117-2 for subgrants to local education agencies.

(e) \$333,450,000 of the elementary and secondary school emergency relief III account—federal appropriation is provided solely for allocations from funds attributable to subsection 2001(e)(1), the American rescue plan act of 2021, P.L. 117-2 for subgrants to local education agencies to address learning loss. Total funds provided under this subsection (((33))) (47)(e) and section 1518(33)(b) of this act for the same purpose may not exceed the funding authorized in this subsection (((33))) (47)(e).

(f) \$18,525,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(2), the American rescue plan act of 2021, P.L. 117-2 is provided solely for grants to entities or organizations to provide outdoor education summer enrichment programs to youth. Recipients must prioritize activities or programs that:

- (i) Promote students connecting socially with their classmates;
- (ii) Encourage students to engage in physical activity; and
- (iii) Support families who have struggled with child care needs.

(g) \$18,525,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(3), the American rescue plan act of 2021, P.L. 117-2 is provided solely to support evidence-based comprehensive afterschool programs.

(h) \$10,000,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(4), the American rescue plan act of 2021, P.L. 117-2 is provided solely for grants to districts to

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expand the number of dual language classrooms in early grades and professional development to accelerate literacy gains in early grades, especially for English learners.

(i) \$4,000,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(4), the American rescue plan act of 2021, P.L. 117-2 is provided solely for grants to school districts to expand career and technical education graduation pathway options, including career-connected learning opportunities.

(j) \$4,000,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(4), the American rescue plan act of 2021, P.L. 117-2 is provided solely for grants for supplies, equipment, staffing, and services to increase access to summer meals and safe school meals in the 2021-22 school year and summer prior to the start of the school year.

(k) \$60,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(f)(4), the American rescue plan act of 2021, P.L. 117-2 is provided solely to support a technical advisory workgroup to explore and recommend residency options for pre-service educators, with a focus on educators of color and bilingual speakers and how the apportionment system could support a teacher residency initiative. The workgroup will provide preliminary recommendations by November 1, 2021, and final recommendations by November 1, 2022.

(l) \$78,172,000 of the general fund—federal appropriation is provided solely for allocations from federal funding in response to the COVID-19 pandemic as authorized in section 18003, the coronavirus aid, relief, and economic security act, P.L. 116-136, division B. Total funds provided under this subsection ((33)) (47)(l) and amounts expended in the 2019-2021 fiscal biennium for the same purpose may not exceed the federal amounts provided in section 18003, the coronavirus response and relief supplemental appropriation act, P.L. 116-136, division B.

(m) \$10,000,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(b), the American rescue plan act of 2021, P.L. 117-2, is provided solely for the office of the superintendent of public instruction to contract with the Washington school principals' education foundation to support pandemic related learning loss through outdoor learning and overnight camp experiences. The association, in consultation with the office, must provide grants to school districts that partner with an accredited residential outdoor school to provide up to 20,000 fifth and sixth grade students with up to five days of outdoor learning at an overnight camp. Prioritization must be given to schools that have been identified for improvement and students who are most impacted by opportunity gaps as determined by measures of the Washington school improvement framework. Outdoor schools must provide curriculum that is aligned to state learning standards and provide opportunities for accelerated learning, including career connected learning in field based environmental science, technology, engineering, and math. Funds may be used by residential outdoor schools for operational activities necessary for reopening.

(n) ((\$12,000,000)) \$12,141,000 of the elementary and secondary school emergency relief III account—federal appropriation from funds attributable to subsection 2001(b), the American rescue plan act of 2021, P.L. 117-2, is provided solely for the purposes of identifying children and youth experiencing homelessness and providing children and youth experiencing homelessness with:

(i) Wrap-around services due to the challenges of the COVID-

19 public health emergency; and

(ii) Assistance needed to enable children and youth experiencing homelessness to attend school and participate fully in school activities.

(o) \$27,375,000 of the general fund—state appropriation for fiscal year 2022, \$79,485,000 of the general fund—federal appropriation (CRRSA/ESSER), and \$93,140,000 of the elementary and secondary school emergency relief III account—federal appropriation are provided solely for the office of the superintendent of public instruction to administer grants for the purposes of learning recovery and acceleration. Allowable uses of the funds are limited to:

(i) One-time contracts for classified, certificated, or administrative staff who will provide tiered academic and social-emotional supports to students most impacted by the disruption of in-person learning, including locating and reengaging students who have disengaged from school, one-on-one and small-group instruction, and other intensive learning supports;

(ii) Professional learning for educators focused on learning recovery and acceleration, including assessing student learning and social-emotional needs, transitioning to standards-based curricula and grading, adopting competency or mastery-based options specifically for credit retrieval purposes, and family and student engagement strategies;

(iii) Procuring assessment or data systems that provide actionable just-in-time data regarding student progress throughout the school year; and

(iv) Direct supports to students to improve school engagement and accelerate learning.

PART VI HIGHER EDUCATION

Sec. 601. 2021 c 334 s 603 (uncodified) is amended to read as follows:

PUBLIC BACCALAUREATE INSTITUTIONS

(1) The state universities, the regional universities, and The Evergreen State College must accept the transfer of college-level courses taken by students under RCW 28A.600.290 or 28A.600.300 if a student seeking a transfer of the college-level courses has been admitted to the state university, the regional university, or The Evergreen State College, and if the college-level courses are recognized as transferrable by the admitting institution of higher education.

(2) Appropriations in sections ((606 through 611 of this act)) 603 through 608 of this act are sufficient to implement 2021-23 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW.

(3) Within amounts appropriated to institutions in ((sections 606 through 611 of this act)) 603 through 608 of this act, institutions shall employ at least one full-time mental health counselor licensed under chapter 18.225 RCW who has experience working with active members of the military or military veterans, to work with student, faculty, and staff veterans, as well as their spouses and dependents, through the institution's veteran resource center.

(4) For institutions of higher education receiving funding for cybersecurity and nursing academic programs for students in sections 603 through 608 of this act, each institution must coordinate with the student achievement council as provided in section 609(17) of this act and submit a progress report on new or expanded cybersecurity and nursing academic programs, including the number of students enrolled.

Sec. 602. 2021 c 334 s 605 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General	Fund—State	Appropriation	(FY 2022)
			(((\$742,558,000))
			<u>\$744,893,000</u>
General	Fund—State	Appropriation	(FY 2023)
			(((\$768,651,000))
			<u>\$832,406,000</u>
Community/Technical College	Capital Projects Account—		
State Appropriation			\$22,436,000
Education Legacy Trust	Account—State	Appropriation	
			(((\$159,208,000))
			<u>\$159,900,000</u>
Workforce Education	Investment	Account—State	
Appropriation			(((\$219,259,000))
			<u>\$237,295,000</u>
TOTAL APPROPRIATION			(((\$1,912,112,000))
			<u>\$1,996,930,000</u>

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

(1) \$33,261,000 of the general fund—state appropriation for fiscal year 2022 and \$33,261,000 of the general fund—state appropriation for fiscal year 2023 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2022 and at least 7,170 full-time equivalent students in fiscal year 2023.

(2) \$5,000,000 of the general fund—state appropriation for fiscal year 2022, \$5,000,000 of the general fund—state appropriation for fiscal year 2023, and \$5,450,000 of the education legacy trust account—state appropriation are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature under RCW 43.01.036 regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2022 and \$425,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Seattle Central College's expansion of allied health programs.

(4)(a) \$5,250,000 of the general fund—state appropriation for fiscal year 2022 and \$5,250,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the student achievement initiative.

(b) By December 1, 2021, the state board for community and technical colleges must report to the appropriate committees of the legislature an update on the student achievement initiative including, but not limited to, the following:

(i) Annual change in student achievement initiative funds by institution;

(ii) Student achievement initiative funds awarded by college by performance funding category including basic skills, first 15 and 30 credits, retention, and completion;

(iii) Impact of guided pathways implementation on student achievement initiative awards; and

(iv) Any additional private or foundation dollars invested in the student achievement initiative.

(5) \$1,610,000 of the general fund—state appropriation for fiscal year 2022, and \$1,610,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the mathematics, engineering, and science achievement program.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2022 and \$1,500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for

operating a fabrication composite wing incumbent worker training program to be housed at the Washington aerospace training and research center.

(7) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(8) (((\$20,759,000)) \$21,428,000 of the general fund—state appropriation for fiscal year 2022 and (((\$21,154,000)) \$21,920,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(9) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(10) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

(11) \$157,000 of the general fund—state appropriation for fiscal year 2022 and \$157,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Wenatchee Valley college wildfire prevention program.

(12) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Puget Sound welcome back center at Highline College to create a grant program for internationally trained individuals seeking employment in the behavioral health field in Washington state.

(13) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for increased enrollments in the integrated basic education and skills training program. Funding will support approximately 120 additional full-time equivalent enrollments annually.

(14)(a) The state board must provide quality assurance reports on the ctcLink project at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(b) The state board must develop a technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. The budget must be updated at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(c) The office of the chief information officer may suspend the ctcLink project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures, implementation timelines, or budget estimates. Once suspension or termination occurs, the state board shall not make additional expenditures on the ctcLink project without approval of the chief information officer. The ctcLink project funded through the community and technical college innovation account created in

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RCW 28B.50.515 is subject to the conditions, limitations, and review provided in section 701 of this act.

(15) \$216,000 of the general fund—state appropriation for fiscal year 2022 and \$216,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the opportunity center for employment and education at North Seattle College.

(16) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Highline College to implement the Federal Way higher education initiative in partnership with the city of Federal Way and the University of Washington Tacoma campus.

(17) \$350,000 of the general fund—state appropriation for fiscal year 2022 and \$350,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Peninsula College to maintain the annual cohorts of the specified programs as follows:

- (a) Medical assisting, 40 students;
- (b) Nursing assistant, 60 students; and
- (c) Registered nursing, 32 students.

(18) \$338,000 of the general fund—state appropriation for fiscal year 2022 and \$338,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington state labor education and research center at South Seattle College.

(19) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the aerospace and advanced manufacturing center of excellence hosted by Everett Community College to develop a semiconductor and electronics manufacturing branch in Vancouver.

(20) \$15,220,000 of the workforce education investment account—state appropriation is provided solely for college operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(21) \$15,220,000 of the workforce education investment account—state appropriation is provided solely for employee compensation, academic program enhancements, student support services, and other institutional priorities that maintain a quality academic experience for Washington students.

(22) \$1,500,000 of the general fund—state appropriation for fiscal year 2022, \$1,500,000 of the general fund—state appropriation for fiscal year 2023, and \$75,847,000 of the workforce education investment account—state appropriation are provided solely for statewide implementation of guided pathways at each of the state's community and technical colleges or similar programs designed to improve student success, including, but not limited to, academic program redesign, student advising, and other student supports.

(23) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$100,000 of the general fund—state appropriation for fiscal 2023 are provided solely for a reentry navigator position at Olympic College to assist formerly incarcerated people gain admittance into college. A report shall be submitted to the legislature by December 1, 2022, on admittance rates on formerly incarcerated individuals, effective methods of contact and engagement of formerly incarcerated individuals, and how guided pathways can be assisted with reentry navigator positions.

(24) \$40,800,000 of the workforce education investment account—state appropriation is provided solely to continue to

fund nurse educator salaries.

(25) \$40,000,000 of the workforce education investment account—state appropriation is provided to continue to fund high-demand program faculty salaries, including but not limited to nurse educators, other health-related professions, information technology, computer science, and trades.

(26) \$8,000,000 of the workforce education investment account—state appropriation is provided solely for the state board for community and technical colleges to expand high-demand and career launch enrollments, as provided under RCW 28C.30.020. Within the amounts provided in this subsection (26):

(a) \$6,000,000 of the amounts in this subsection (26) are provided for expansion of career launch enrollments, as provided under RCW 28C.30.020.

(b) \$2,000,000 of the amounts in this subsection (26) are provided for expansion of enrollments in high demand programs. These programs include, but are not limited to, allied health, computer and information science, manufacturing, and other fields identified by the state board for community and technical colleges.

(c) The state board for community and technical colleges may transfer amounts between (a) and (b) of this subsection (26) if either program does not have sufficient demand to spend the allocated funding. Any transfer must be approved by the state board for community and technical colleges and the office of financial management.

(27) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the state board for community and technical colleges to support the completion of the English 101 curriculum review to remove barriers to student success. A report should be submitted to the appropriate committees of the legislature under RCW 43.01.036 by June 30, 2023, or upon the completion of the English 101 review to report on lessons learned, best practices, and recommendations for completion of additional curricula reviews.

(28) \$8,000,000 of the workforce education investment account—state appropriation is provided solely for the emergency assistance grant program in RCW 28B.50.295.

(29) \$10,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the state board for community and technical colleges to coordinate with the Washington student achievement council task force as described in ((section 612(6) of this act)) section 609(6) of this act to provide the following running start data for fiscal year 2019, fiscal year 2020, and fiscal year 2021, for each community and technical college:

(a) The total number of running start students served by headcount and full-time equivalent;

(b) The total amount of running start revenue received through apportionment as allocated with the running start rate by the office of the superintendent of public instruction through local school districts;

(c) Course completion rates for running start students;

(d) A list of courses by two-digit classification of instructional program code and the number of running start students in each course;

(e) A list of career and technical education area courses and the number of running start students in each course;

(f) The number of students at each community or technical college receiving complete fee waivers as required by RCW 28A.600.310(3)(a); and

(g) The method used by each college to determine running start fee waiver eligibility, including any policies adopted by the college or its program.

(30) \$16,000 of the general fund—state appropriation for fiscal

year 2022 and \$91,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1044 (prison to postsecondary ed.). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(31) \$516,000 of the general fund—state appropriation for fiscal year 2022 and \$516,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 1166 (college students pilot). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(32) \$350,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1273 (menstrual products/schools). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(33) \$2,048,000 of the general fund—state appropriation for fiscal year 2022 and \$1,119,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). (If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.)

(34) \$15,848,000 of the workforce education investment account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5194 (equity and access in higher education). (If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.)

(35)(a) \$2,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for grants to promote workforce development in trucking and trucking-related supply chain industries and the school bus driving industry by expanding the number of registered apprenticeships, pre-apprenticeships, and trucking related training programs; and providing support for registered apprenticeships or programs in trucking and trucking-related supply chain industries and the school bus driving industry.

(b) Grants awarded under this subsection may be used for:

(i) Equipment upgrades or new equipment purchases for training purposes;

(ii) New training spaces and locations to support capacity needs and expansion of training to veterans and veteran spouses, and underserved populations to include foster care and homeless transition populations;

(iii) Curriculum development and instructor training for driving, repair and service of technological advancements facing the industries;

(iv) Tuition assistance for commercial vehicle driver training, mechanical, and support functions that support the trucking industry and the school bus driving industry; and

(v) Funding to increase capacity and availability of child care options for shift work schedules.

(c) An entity is eligible to receive a grant if it is a nonprofit, nongovernmental, or institution of primary or higher education that provides training opportunities, including apprenticeships, pre-apprenticeships, pre-employment training, commercial vehicle driver training, vocational training related to mechanical and support functions that support the trucking industry or the school bus driving industry; or incumbent worker training to prepare workers for the trucking and trucking-related supply chain industries or the school bus driving industry. Preference will be given to entities in compliance with government approved or accredited programs. Reporting requirements, as determined by the board, shall be required.

(d) The board may use up to 5 percent of funds for

administration of grants.

(36) \$8,000,000 of the workforce education investment account—state appropriation is provided solely for grants for nursing programs to purchase or upgrade simulation laboratory equipment.

(37)(a) \$7,018,000 of the workforce education investment account—state appropriation is provided solely to expand cybersecurity academic enrollments by 500 FTE students.

(b) The state board for community and technical colleges must coordinate with the student achievement council as provided in section 609(17) of this act to submit a progress report on the new or expanded cybersecurity academic programs, including the number of students enrolled.

(38) \$205,000 of the workforce education investment account—state appropriation is provided solely to establish a center for excellence in cybersecurity.

(39) \$2,000,000 of the general fund—state appropriation for fiscal year 2022 and \$3,497,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for legal services related to litigation by employees within the community and technical college system challenging the denial of retirement and sick leave benefits. The cases include *Wolf v. State and SBCTC*, *Rush v. State and SBCTC* (retirement), and *Rush v. State and SBCTC* (sick leave).

(40) \$7,000,000 of the general fund—state appropriation for fiscal year 2023 and \$1,000,000 of the workforce education investment account—state appropriation are provided solely to expand the opportunity grant program to provide health care workforce grants for students.

(41) \$2,720,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for each community and technical college to contract with a community-based organization to assist with financial aid access and support in communities.

(42) In addition to the homeless student assistance pilot program sites funded in subsection (31) of this section, \$2,932,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the expansion of the program in RCW 28B.50.916 to all community colleges.

(43) \$1,728,000 of the workforce education investment account—state appropriation is provided solely for the expansion of existing programming to accommodate refugees and immigrants who have arrived in Washington state on or after July 1, 2021, and are eligible for federal refugee resettlement services, including those from Afghanistan and Ukraine.

(44) \$4,146,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(45)(a) \$3,760,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for nursing education, to increase the number of nursing slots for academic year 2022-23 by at least 50 and build capacity for at least 200 new slots in the 2023-2025 biennium, and to purchase two simulation vans.

(b) Of the amount provided in this subsection, \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for community and technical colleges who enroll new cohorts of at least 25 nursing students in the 2023 spring academic quarter.

(c) The state board for community and technical colleges must coordinate with the student achievement council as provided in section 609(17) of this act to submit a progress report on the new or expanded nursing academic programs, including the number of students enrolled per program.

(46)(a) \$75,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the state board in

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collaboration with the dental industry to report on strategies to support and transform the education and training of the dental hygiene and dental assistant professions.

(b) The report shall include, but is not limited to, recommendations on the following topics:

(i) Examining options to enhance workforce diversity;

(ii) Reducing barriers to entry; and

(iii) Proposing changes for education program sustainability.

(c) The state board must solicit input and collaborate on the report with a representative from a dental association, a representative from a hygienist association, an expert in dental hygiene education, a representative from the dental assistant profession, and a representative from the dental benefits industry.

(d) The report must be submitted to the legislature pursuant to RCW 43.01.036 by December 1, 2022.

(47) \$30,000 of the general fund—state appropriation for fiscal year 2022 and \$243,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Renton Technical College to establish a pilot program to increase outreach and participation in running start and adult education programs. A report on participation rates and student engagement must be submitted to the appropriate committees of the legislature pursuant to RCW 43.01.036 by December 1, 2022.

(48) \$1,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the development of a climate solutions and climate justice curriculum.

(49)(a) \$80,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a pilot program to help students, including those enrolled in state registered apprenticeship programs, connect with health care coverage. The state board for community and technical colleges must provide resources for up to two community or technical colleges, one on the east side and one on the west side of the Cascade mountains, to hire or train an employee to:

(i) Provide information to students and college staff about available health insurance options;

(ii) Develop culturally relevant materials and conduct outreach for historically marginalized and underserved student populations to assist these populations in their knowledge of access to low cost or free health insurance plans;

(iii) Provide ongoing technical assistance to students about health insurance options or health insurance application process; and

(iv) Provide technical assistance to students as a health benefit exchange certified assister, to help students understand, shop, apply, and enroll in health insurance through Washington health planfinder.

(b) Participation in the exchange assister program is contingent on fulfilling applicable contracting, security, and other program requirements.

(c) The legislature expects the state board, in collaboration with the student achievement council and the health benefit exchange, to report to the appropriate committees of the legislature information about barriers students, including those enrolled in state registered apprenticeship programs, encountered to accessing health insurance coverage; and to provide recommendations on how to improve student access to health coverage based on data gathered from the pilot program.

(50) \$331,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Engrossed Second Substitute Senate Bill No. 5764 (apprenticeships and higher ed). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(51) \$170,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second

Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount in this subsection shall lapse.

(52) \$36,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 2019 (careers in retail). If the bill is not enacted by June 30, 2022, the amount in this subsection shall lapse.

(53) \$1,500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1835 (postsecondary enrollment). If the bill is not enacted by June 30, 2022, the amount in this subsection shall lapse.

Sec. 603. 2021 c 334 s 606 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund—State	Appropriation (FY 2022)	(\$394,246,000)
		\$391,802,000
General Fund—State	Appropriation (FY 2023)	((403,164,000))
		\$423,726,000
Aquatic Lands Enhancement Account—State	Appropriation	((1,619,000))
		\$1,630,000
University of Washington Building Account—State	Appropriation	\$1,546,000
Education Legacy Trust Account—State	Appropriation	((36,708,000))
		\$37,020,000
Economic Development Strategic Reserve Account—State	Appropriation	((3,094,000))
		\$3,101,000
Biotoxin Account—State	Appropriation	((605,000))
		\$609,000
Dedicated Marijuana Account—State	Appropriation (FY 2022)	\$263,000
Dedicated Marijuana Account—State	Appropriation (FY 2023)	((263,000))
		\$325,000
Accident Account—State	Appropriation	((7,874,000))
		\$7,988,000
Medical Aid Account—State	Appropriation	((7,468,000))
		\$7,564,000
Workforce Education Investment Account—State	Appropriation	((49,853,000))
		\$52,333,000
Geoduck Aquaculture Research Account—State	Appropriation	((15,000))
		\$22,000
TOTAL APPROPRIATION		((906,718,000))
		\$927,929,000

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

(1) ((43,087,000)) \$44,474,000 of the general fund—state appropriation for fiscal year 2022 and ((43,905,000)) \$45,497,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for labor archives of Washington. The university shall work in collaboration with the state board for community and technical colleges.

(3) \$8,000,000 of the education legacy trust account—state appropriation is provided solely for the family medicine residency

network at the university to maintain the number of residency slots available in Washington.

(4) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(5) \$14,000,000 of the education legacy trust account—state appropriation is provided solely for the expansion of degrees in the department of computer science and engineering at the Seattle campus.

(6) \$3,062,000 of the economic development strategic reserve account—state appropriation is provided solely to support the joint center for aerospace innovation technology.

(7) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(8) \$7,345,000 of the general fund—state appropriation for fiscal year 2022 and \$7,345,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the continued operations and expansion of the Washington, Wyoming, Alaska, Montana, Idaho medical school program.

(9) \$2,625,000 of the general fund—state appropriation for fiscal year 2022 and \$2,625,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the institute for stem cell and regenerative medicine. Funds appropriated in this subsection must be dedicated to research utilizing pluripotent stem cells and related research methods.

(10) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided to the University of Washington to support youth and young adults experiencing homelessness in the university district of Seattle. Funding is provided for the university to work with community service providers and university colleges and departments to plan for and implement a comprehensive one-stop center with navigation services for homeless youth; the university may contract with the department of commerce to expand services that serve homeless youth in the university district.

(11) \$1,200,000 of the general fund—state appropriation for fiscal year 2022 and \$1,800,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the adult psychiatry residency program at the University of Washington to offer additional residency positions that are approved by the accreditation council for graduate medical education.

(12) \$172,000 of the general fund—state appropriation for fiscal year 2022 and \$172,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a University of Washington study in the south Cascades to determine current wolf use and density, and to gather baseline data to understand the effects of wolf recolonization on predator-prey dynamics of species that currently have established populations in the area.

(a) The study objectives shall include:

(i) Determination of whether wolves have started to recolonize a 5,000 square kilometer study area in the south Cascades of Washington, and if so, an assessment of their distribution over the landscape as well as their health and pregnancy rates;

(ii) Baseline data collection, if wolves have not yet established pack territories in this portion of the state, that will allow for the assessment of how the functional densities and diets of wolves across the landscape will affect the densities and diets in the

following predators and prey: Coyote, cougar, black bear, bobcat, red fox, wolverine, elk, white tailed deer, mule deer, moose, caribou, and snowshoe hare;

(iii) Examination of whether the microbiome of each species changes as wolves start to occupy suitable habitat; and

(iv) An assessment of the use of alternative wildlife monitoring tools to cost-effectively monitor size of the wolf population over the long-term.

(b) A report on the findings of the study shall be shared with the Washington department of fish and wildlife.

(13)(a) \$20,000,000 of the general fund—state appropriation for fiscal year 2022 and \$20,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to support the operations and teaching mission of the Harborview Medical Center and the University of Washington Medical Center.

(b) By December 1, 2022, the University of Washington must report to the appropriate committees of the legislature the impact of the funding in (a) of this subsection on the fiscal position of Harborview medical center and the University of Washington medical center in the 2021-2023 fiscal biennium. To ensure transparency, consistency, accuracy, and clarity, the report must:

(i) Follow generally accepted accounting principles;

(ii) Use generally accepted terms and define those terms;

(iii) Provide data on revenue and expenses, using standard formats already in existence, such as comprehensive hospital abstract reporting system (CHARS) data, and delineated by functional areas of state government;

(iv) Incorporate wherever possible publicly available data, as a public institution including, but not limited to, the following sources:

(A) CHARS;

(B) Comprehensive annual financial reports; and

(C) The most recent independent auditor report, including financial statements connected to the report; and

(v) Provide supporting documentation.

(14) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the University of Washington's psychiatry integrated care training program.

(15) \$426,000 of the general fund—state appropriation for fiscal year 2022 and \$640,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for child and adolescent psychiatry residency positions that are approved by the accreditation council for graduate medical education, as provided in RCW 28B.20.445.

(16) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the University of Washington School of Dentistry to support its role as a major oral health provider to individuals covered by medicaid and the uninsured.

(17) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the pre-law pipeline and social justice program at the University of Washington-Tacoma.

(18) \$226,000 of the general fund—state appropriation for fiscal year 2022 and \$226,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the university's neurology department to create a telemedicine program to disseminate dementia care best practices to primary care practitioners using the project ECHO model. The program shall provide a virtual connection for providers and content experts and include didactics, case conferences, and an emphasis on practice transformation and systems-level issues that affect

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care delivery. The initial users of this program shall include referral sources in health care systems and clinics, such as the university's neighborhood clinics and Virginia Mason Memorial in Yakima with a goal of adding 15 to 20 providers from smaller clinics and practices per year.

(19) \$102,000 of the general fund—state appropriation for fiscal year 2022 and \$102,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the university's center for international trade in forest products.

(20) \$625,000 of the general fund—state appropriation for fiscal year 2022 and \$625,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Latino center for health.

(21) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a firearm policy research program. The program will:

(a) Support investigations of firearm death and injury risk factors;

(b) Evaluate the effectiveness of state firearm laws and policies;

(c) Assess the consequences of firearm violence; and

(d) Develop strategies to reduce the toll of firearm violence to citizens of the state.

(22) \$463,000 of the general fund—state appropriation for fiscal year 2022 and \$400,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the climate impacts group in the college of the environment.

(23) \$225,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the climate impacts group in the college of the environment to provide an updated climate impacts risk assessment designed to inform future updates to the statewide climate resilience strategy. The group must coordinate with the office of the governor to refine the scope of assessment. The final report and associated deliverables must be completed and submitted to the governor and appropriate committees of the legislature by December 15, 2022.

(24) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the college of education to collaborate with teacher preparation programs and the office of the superintendent of public instruction to develop open access climate science educational curriculum for use in teacher preparation programs.

(25) \$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Harry Bridges center for labor studies. The center shall work in collaboration with the state board for community and technical colleges.

(26) \$21,461,000 of the workforce education investment account—state appropriation is provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(27) \$8,000,000 of the workforce education investment account—state appropriation is provided solely for employee compensation, academic program enhancements, student support services, and other institutional priorities that maintain a quality academic experience for Washington students.

(28) \$8,000,000 of the workforce education investment account—state appropriation is provided solely to maintain

degree production in the college of engineering at the Seattle campus.

(29) \$1,000,000 of the workforce education investment account—state appropriation is provided solely to maintain the Washington state academic redshirt program.

(30) \$2,700,000 of the workforce education investment account—state appropriation is provided solely to maintain degree capacity and undergraduate enrollments in engineering, mathematics, and science programs to support the biomedical innovation partnership zone at the Bothell campus.

(31) \$3,268,000 of the workforce education investment account—state appropriation is provided solely to maintain bachelor of science programs in mechanical and civil engineering to support increased student and local employer demand for graduates in these fields at the Tacoma campus.

(32) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for Washington mathematics, engineering, science achievement programs to provide enrichment opportunities in mathematics, engineering, science, and technology to students who are traditionally underrepresented in these programs.

(33) \$75,000 of the general fund—state appropriation for fiscal year 2022 and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a community care coordinator for transitional-age youth for the doorway project in partnership with the Seattle campus.

(34) ((\$4,000,000)) \$6,000,000 of the workforce education investment account—state appropriation is provided solely for the expansion of the Paul G. Allen school of computer science and engineering in order to award an additional 100 degrees per year focusing on traditionally underrepresented students. A report on degrees awarded must be submitted to the appropriate committees of the legislature June 30, 2022, and June 30, 2023.

(35) \$45,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the community immersion law enforcement project at the Tacoma campus.

(36)(a) \$200,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for research to determine the use and effectiveness of restorative justice, including for hate crime victims and individuals who commit hate crimes. Researchers shall engage in listening sessions with impacted communities, which must include tribal governments and community-based organizations. Researchers shall consult with judges, prosecutors, defense attorneys, victim advocates, impacted communities, and community based restorative justice agencies to inform whether restorative justice would be an effective public policy option to:

(i) Provide healing support for individual hate crime victims and their communities;

(ii) Provide accountability processes for individuals who commit hate crimes;

(iii) Provide opportunities for individuals who commit hate crimes to learn about the impact of their crimes and repair the damage;

(iv) Repair interpersonal and communal relationships;

(v) Reduce hate crime offender recidivism; and

(vi) Determine if restorative justice could be equally available to all victims and communities.

(b) The researcher shall provide a report to the relevant committees of the legislature under RCW 43.01.036 by December 1, 2021. The report must include best practice recommendations for establishing a restorative justice program and required data collection to address hate crimes in Washington. The report shall include how restorative justice recommendations can be

implemented in conjunction with the recommendations of the hate crime advisory working group established in RCW 43.10.300.

(37) \$250,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for scholarships to students in the applied child and adolescent psychology masters program. Priority should be given to traditionally underrepresented students and those students who are bilingual.

(38) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to expand a series of online courses related to behavioral health and student well-being that are currently offered at the Bothell campus for school district staff. The standards for the courses must be consistent with knowledge, skill, and performance standards related to mental health and well-being of public school students. The online courses must provide:

(a) Foundational knowledge in behavioral health, mental health, and mental illness;

(b) Information on how to assess, intervene upon, and refer behavioral health and intersection of behavioral health and substance use issues; and

(c) Approaches to promote health and positively influence student health behaviors.

(39) To ensure transparency and accountability, in the 2021-2023 fiscal biennium the University of Washington shall comply with any and all financial and accountability audits by the Washington state auditor including any and all audits of university services offered to the general public, including those offered through any public-private partnership, business venture, affiliation, or joint venture with a public or private entity, except the government of the United States. The university shall comply with all state auditor requests for the university's financial and business information including the university's governance and financial participation in these public-private partnerships, business ventures, affiliations, or joint ventures with a public or private entity. In any instance in which the university declines to produce the information to the state auditor, the university will provide the state auditor a brief summary of the documents withheld and a citation of the legal or contractual provision that prevents disclosure. The summaries must be compiled into a report by the state auditor and provided on a quarterly basis to the legislature.

(40) \$50,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the department of environmental and occupational health sciences to provide an air quality report. The report will study the relationship between indoor and outdoor ultrafine particle air quality at sites with vulnerable populations, such as schools or locations underneath flight paths within 10 miles of Sea-Tac airport. The report recommendations must include an item addressing filtration systems at select locations with vulnerable populations. The report shall be submitted to the house environment and energy committee and the senate environment, energy and technology committee by December 15, 2021.

(41) \$100,000 of the general fund—state appropriation for fiscal year 2022 and ((\$100,000)) \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Burke museum of natural history and culture to make education programs offered by the museum accessible to more students across Washington, especially students in underserved schools and locations. The funding shall be used for:

(a) Increasing the number of students who participate in Burke education programs at reduced or no cost, including virtual programs;

(b) Providing bus reimbursement for students visiting the

museum on field trips and to support travel to bring museum programs across the state; and

(c) Staff who will form partnerships with school districts to serve statewide communities more efficiently and equitably, including through the Burkemobile program.

(42)(a) \$100,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the center for cannabis research at the university to collaborate with the Washington State University collaboration on cannabis policy, research, and outreach to create frameworks for future studies. Each framework will include the length of time to complete, research licenses necessary, cost, literature review of national and international research, and a scope of work to be completed. The following frameworks shall be compiled in a report:

(i) Measuring and assessing impairment due to ((marijuana)) cannabis use; and

(ii) Correlation between age of use, dosage of use, and appearance of occurrence of cannabis induced psychosis.

(b) The report on the frameworks must be submitted to the appropriate committees of the legislature by December 1, 2021.

(43) \$205,000 of the general fund—state appropriation for fiscal year 2022 and ((\$205,000)) \$410,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the university's center for human rights. The appropriation must be used to supplement, not supplant, other funding sources for the center for human rights.

(44) \$143,000 of the general fund—state appropriation for fiscal year 2022 and \$143,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the University of Washington for the establishment and operation of the state forensic anthropologist. The university shall work in conjunction with and provide the full funding directly to the King county medical examiner's office to support the statewide work of the state forensic anthropologist.

(45) \$450,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to the University of Washington school of medicine for the development of simulation training devices at the Harborview medical center's paramedic training program.

(46) \$64,000 of the general fund—state appropriation for fiscal year 2022 and \$64,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one full-time mental health counselor licensed under chapter 18.225 RCW who has experience and training specifically related to working with active members of the military or military veterans.

(47) \$557,000 of the general fund—state appropriation for fiscal year 2022 and \$443,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the creation of the center for environmental forensic science.

(48) \$80,000 of the general fund—state appropriation for fiscal year 2022 and \$80,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the college of education to partner with school districts to continue the math improvement pilot program.

(49) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the university to conduct monitoring and research related to Puget Sound kelp conservation and recovery.

(50) \$20,000 of the general fund—state appropriation for fiscal year 2022 and \$10,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to expand online tutorial and link to web-based, continuing education funded by the centers for disease control for training for the primary care health workforce regarding the protocols for perinatal monitoring, birth-dose immunization, early diagnosis, linkage to care, and

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treatment for persons diagnosed with chronic hepatitis B or hepatitis using a telehealth model operated by the University of Washington.

(a) Training shall:

(i) Focus on increased provider proficiency and increased number of trained providers in areas with high rates of reported cases of hepatitis B or hepatitis, including regions with high incidence of drug use or upward trend of children who have not received hepatitis B virus vaccinations according to centers for disease control recommendations; and

(ii) Provide access to:

(A) University of Washington medicine specialists in infectious diseases, hepatology, and addiction medicine;

(B) Brief updates on evidence-based strategies to diagnose, treat, and manage acute and chronic hepatitis B, acute and chronic hepatitis C, or coinfections;

(C) Continuing medical education credits per hour of participation; and

(D) Phone consultation with specialists during nonscheduled time for patients who experience complications.

(b) All digital and hardcopy training, educational, and outreach materials for this program must be culturally relevant and linguistically diverse.

(51)(a) \$108,000 of the general fund—state appropriation for fiscal year 2022 and \$52,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the University of Washington Evans school of public policy and governance to conduct a boater safety analysis, including, but not limited to, the following:

(i) The prevalence of boating fatalities and rescues in Washington state;

(ii) A comparison of Washington's rates of fatalities and rescues to other states; and

(iii) Recommendations of effective and collective ways to increase boater safety in the state.

(b) The Evans school may convene stakeholders to analyze data and make recommendations. By December 31, 2022, the Evans school must submit a report of findings and recommendations to the appropriate committees of the legislature.

(52) \$736,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1272 (health system transparency). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(53) \$159,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1273 (menstrual products/schools). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(54) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1335 (racial restrictions/review). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(55) \$24,000 of the general fund—state appropriation for fiscal year 2022 and \$25,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Substitute House Bill No. 1196 (audio-only telemedicine). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(56) \$69,000 of the general fund—state appropriation for fiscal year 2022 and \$69,000 of the general fund—state appropriation

for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5194 (equity and access in higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(57) \$60,000 of the general fund—state appropriation for fiscal year 2022 and \$60,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5141 (environmental justice task force recs). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(58) \$146,000 of the general fund—state appropriation for fiscal year 2022 and \$158,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(59) \$422,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of chapter 6, Laws of 2021 (Engrossed Substitute Senate Bill No. 5272).

(60) The appropriations in this section include sufficient funding for the implementation of chapter 96, Laws of 2021 (Substitute Senate Bill No. 5228).

(61) \$50,000 of the general fund—state appropriation for fiscal year 2022 and \$1,782,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5126 (climate commitment act). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(62) \$125,000 of the general fund—state appropriation for fiscal year 2022 and ((\$125,000)) \$225,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for an increase in financial student assistance in public service oriented graduate and professional degree programs, referred to as "fee-based" programs, whose tuition for public service degrees is over ((\$35,000)) \$18,000 per year. Programs shall create mechanisms to prioritize assistance to traditionally underrepresented students, specifically those who have expressed a commitment to service in the physician assistant, community oriented public health, or social work programs. The institution may offer financial assistance for students that volunteer or work with public health agencies, including as contact tracers.

(63) \$1,250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the community-engagement test to facilitate clean energy transitions by partnering with communities, utilities, and project developers.

(64) \$2,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for staffing and operational expenditures related to the battery fabrication testbed.

(65) \$621,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for maintenance and operation costs for the Milgard hall at University of Washington—Tacoma.

(66) \$505,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for pharmacy behavioral health. The University of Washington school of pharmacy/medicine pharmacy services will hire two residency training positions and one behavioral health faculty to create a residency program focused on behavioral health.

(67) \$3,777,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(68) \$225,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the center for health

workforce studies to develop a program to track dental workforce trends, needs, and enhancements to better serve the increasing population and demand for access to adequate oral health care. The center shall develop the program in consultation with dental stakeholders, including, but not limited to, provider associations and oral health philanthropic leaders. The workforce reporting program is to be considered a public-private partnership. The institutions may accept matching funds from interested stakeholders to help facilitate and administer the workforce reporting program. The program shall:

(a) Provide ongoing assessment of the supply and distribution of, and demand for, the state's oral health workforce;

(b) Conduct studies to describe the demographic, education, and practice characteristics of occupations engaged in providing oral health care and to improve understanding of workplace factors that influence workforce recruitment and retention; and

(c) Display and disseminate findings through a public facing website dashboard, in a deidentified and aggregate format, and through findings briefs accessible from the website, among other methods of dissemination.

(69) \$300,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the institution to contract with a nonprofit organization to provide a report on the community inventory to help align the Washington park arboretum planning with the diverse needs and priorities of the community.

(70) \$1,242,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for an increase in the number of nursing slots and graduates in the already established accelerated bachelor of science in nursing program. Of the amounts provided in this subsection, \$273,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Tacoma school of nursing and healthcare leadership.

(71) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the memory and brain wellness center to support the statewide expansion of the dementia friends program.

(72) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a \$2,500 monthly stipend to students during the 20-week training period of the business certificate program at the Bothell campus established in partnership with the MLK Gandhi empowerment initiative. The business certificate program must consist of two cohorts of 20 students.

(73) \$455,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the startup program within the school of computer science and engineering.

(74)(a) \$400,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the colab for community and behavioral health policy to work in collaboration with the Latino center for health and allies in healthier systems for health & abundance in youth to convene a community coalition and design team to develop recommendations for the expansion of culturally responsive community mental health services focused on children and adolescents in Washington. Community and lived experience stakeholders, representing communities of color, must make up over half of the team. The coalition's recommendations shall address:

(i) Expansion of clinical training for a lived experience workforce to provide culturally responsive and evidence-informed mental health services focused on families, children, and youth;

(ii) An implementation plan that allows for local flexibility and local community input; and

(iii) An evaluation plan that will yield information about the success in implementation statewide and the improved

experiences of those seeking mental health services.

(b) The coalition must report its findings and recommendations to the appropriate committees of the legislature by December 15, 2022.

(75)(a) \$89,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to establish a data repository to assist the state and all political subdivisions with evaluating whether and to what extent existing laws and practices with respect to voting and elections are consistent with public policy, implementing best practices in voting and elections, and to investigate potential infringements upon the right to vote.

(b) The operation of the repository shall be the responsibility of the director of the repository who shall be employed by the University of Washington with doctoral level expertise in demography, statistical analysis, and electoral systems. The director shall be appointed by the governor. The director shall appoint necessary staff to implement and maintain the repository.

(c) The repository shall maintain in electronic format at least the following data and records, where available, for at least the previous 12-year period:

(i) Estimates of the total population, voting age population, and citizen voting age population by race, ethnicity, and language-minority groups, broken down to the election district and precinct level on a year-by-year basis for every political subdivision in the state, based on data from the United States census bureau, American community survey, or data of comparable quality collected by a public office;

(ii) Election results at the precinct level for every statewide election and every election in every political subdivision;

(iii) Regularly updated voter registration lists, voter history files, voting center locations, ballot drop box locations, and student engagement hub locations for every election in every political subdivision;

(iv) Contemporaneous maps, descriptions of boundaries, and shapefiles for election districts and precincts;

(v) Ballot rejection lists, curing lists, and reasoning for ballot rejection for every election in every political subdivision;

(vi) Apportionment plans for every election in every political subdivision; and

(vii) Any other data that the director deems advisable.

(d) The director shall update the data in the repository no later than 30 business days after certification of each election as required by RCW 29A.60.190 or 29A.60.250.

(e) Except for any data, information, or estimates that identifies individual voters, the data, information, and estimates maintained by the repository shall be posted online and made available to the public at no cost.

(f) The repository shall prepare any estimates made pursuant to this section by applying the most advanced, peer-reviewed, and validated methodologies.

(g) On or before January 1, 2023, the repository shall publish on its website and transmit to the state for dissemination to county auditors secretary of a list of political subdivisions required pursuant to section 203 of the federal voting rights act to provide assistance to members of language-minority groups and each language in which those political subdivisions are required to provide assistance. Each county auditor shall transmit the list described herein to all political subdivisions within their jurisdiction.

(h) Upon the certification of election results and the completion of the voter history file after each election, the secretary of state shall transmit copies of:

(i) Election results at the election district level;

(ii) Contemporaneous voter registration lists;

(iii) Voter history files;

(iv) Maps, descriptions, and shapefiles for election districts;

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and

(v) Lists of voting centers and student engagement hubs.

(i) Staff at the repository may provide nonpartisan technical assistance to political subdivisions, scholars, and the general public seeking to use the resources of the repository.

(76) \$122,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for sexual assault nurse examiner training.

(77) Within the amounts appropriated in this section, the University of Washington must explore pathways for providing direct admissions to the nursing programs at the Seattle campus. By December 1, 2022, the university must report pursuant to RCW 43.01.036 to the appropriate committees of the legislature recommendations for direct admissions, including a timeline for implementation and estimated costs.

(78) \$232,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the center for environmental forensic science for the procurement of an AccuTOF DART mass spectrometry system to perform rapid forensic wood identification to combat illegal logging and associated trade.

(79) \$167,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the center for an informed public for research to identify new technologies and strategies to resist strategic misinformation in collaboration with Finnish higher education institutions and organizations. By June 30, 2023, the center must submit a report pursuant to RCW 43.01.036 to the appropriate committees of the legislature on the use of funds, key metrics and deliverables, and recommendations for further opportunities for collaboration.

(80) \$18,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Engrossed Second Substitute Senate Bill No. 5764 (apprenticeships and higher ed). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(81) \$277,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Substitute Senate Bill No. 5644 (behavior health co-response). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(82) \$15,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Engrossed Substitute Senate Bill No. 5874 (military student residency). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(83) \$102,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the university to collaborate with the department of health and the health care authority to develop a licensure and regulatory program for behavioral health support specialists consistent with the provisions in Engrossed Second Substitute Senate Bill No. 5884 (behavioral health support).

(84) \$121,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(85) \$16,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1181 (veterans & military suicide). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(86)(a) \$200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to the institution to conduct a study, in consultation with the department of health and with approval from the Washington state institutional review board, of the ability of Washington residents to make use of the rights

established in chapter 70.245 RCW to achieve full access to the Washington death with dignity act. The institution and department shall enter into a signed data sharing agreement for the purpose of the study. Pursuant to RCW 42.56.070, 42.56.360, and 70.245.150, the data sharing agreement must specify that data shared or obtained in the course of this study are not subject to public disclosure. The study shall review the extent to which there are barriers to achieving full access to the Washington death with dignity act.

(b) The department shall provide to the institution the data requested on deaths of all Washington residents and legal next of kin by August 1, 2022.

(c) By December 1, 2022, the institution shall report its findings to the governor and appropriate committees of the legislature under RCW 43.01.036. Pursuant to RCW 42.56.070, 42.56.360, and 70.245.150, the report must protect the confidentiality of the subjects of any data that it receives while conducting its research, including the names of any patients and health care providers.

Sec. 604. 2021 c 334 s 607 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2022)	((245,660,000))
	<u>\$246,492,000</u>
General Fund—State Appropriation (FY 2023)	((251,842,000))
	<u>\$264,669,000</u>
General Fund—Federal Appropriation	\$500,000
Washington State University Building Account—State Appropriation	\$792,000
Education Legacy Trust Account—State Appropriation	\$33,995,000
Model Toxics Control Operating Account—State Appropriation	\$2,076,000
Dedicated Marijuana Account—State Appropriation (FY 2022)	\$138,000
Dedicated Marijuana Account—State Appropriation (FY 2023)	((138,000))
	<u>\$175,000</u>
Workforce Education Investment Account—State Appropriation	((29,680,000))
	<u>\$31,736,000</u>
Waste Reduction, Recycling, and Litter Control Account—State Appropriation	\$331,000
TOTAL APPROPRIATION	((565,152,000))
	<u>\$580,904,000</u>

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

(1) \$90,000 of the general fund—state appropriation for fiscal year 2022 and \$90,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a rural economic development and outreach coordinator.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for state match

requirements related to the federal aviation administration grant.

(4) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

(5) \$7,000,000 of the general fund—state appropriation for fiscal year 2022, \$7,000,000 of the general fund—state appropriation for fiscal year 2023, and \$22,800,000 of the workforce education investment account—state appropriation are provided solely for the continued development and operations of a medical school program in Spokane.

(6) \$135,000 of the general fund—state appropriation for fiscal year 2022 and \$135,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a honey bee biology research position.

(7) ((\$30,628,000)) \$31,614,000 of the general fund—state appropriation for fiscal year 2022 and ((\$31,210,000)) \$32,341,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(8) \$580,000 of the general fund—state appropriation for fiscal year 2022 and \$580,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the development of an organic agriculture systems degree program located at the university center in Everett.

(9) \$630,000 of the general fund—state appropriation for fiscal year 2022 and \$630,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the creation of an electrical engineering program located in Bremerton. At full implementation, the university is expected to increase degree production by 25 new bachelor's degrees per year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(10) \$1,370,000 of the general fund—state appropriation for fiscal year 2022 and \$1,370,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the creation of software engineering and data analytic programs at the university center in Everett. At full implementation, the university is expected to enroll 50 students per academic year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(11) General fund—state appropriations in this section are reduced to reflect a reduction in state-supported tuition waivers for graduate students. When reducing tuition waivers, the university will not change its practices and procedures for providing eligible veterans with tuition waivers.

(12) \$1,154,000 of the general fund—state appropriation for fiscal year 2022 and \$1,154,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

(13) \$376,000 of the general fund—state appropriation for fiscal year 2022 and \$376,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

(14) \$585,000 of the general fund—state appropriation for fiscal year 2022 and \$585,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of chapter 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

(15)(a) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the joint center for deployment and research in earth abundant materials.

(b) By December 1, 2021, the joint center for deployment and

research in earth abundant materials must report to the appropriate committees of the legislature on the center's research grant program, including but not limited to the following:

(i) The annual amount of funding available for the grant program, including any private or foundation dollars;

(ii) The average award amount per project;

(iii) The educational impact of funded projects on high schools and community and technical colleges; and

(iv) The impact of project findings on technologies in Washington using earth-abundant materials.

(16) \$2,076,000 of the model toxics control operating account—state appropriation is provided solely for the university's soil health initiative and its network of long-term agroecological research and extension (LTARE) sites. The network must include a Mount Vernon REC site.

(17) \$6,880,000 of the workforce education investment account—state appropriation is provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(18) \$20,000 of the general fund—state appropriation for fiscal year 2022 and \$20,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the office of clean technology to convene a sustainable aviation biofuels work group to further the development of sustainable aviation fuel as a productive industry in Washington. The work group must include members from the legislature and sectors involved in sustainable aviation biofuels research, development, production, and utilization. The work group must provide a report including any pertinent recommendations to the governor and appropriate committees of the legislature by December 1, 2022.

(19) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Washington State University's energy program to launch a least-conflict priority solar siting pilot project in the Columbia basin of eastern and central Washington. This program shall engage all relevant stakeholders to identify priority areas where there is the least amount of potential conflict in the siting of utility scale PV solar and to develop a map highlighting these areas. The program shall also compile the latest information on opportunities for dual-use and colocation of PV solar with other land values. The appropriation is the maximum amount the department may expend for this purpose.

(20) \$42,000 of the general fund—state appropriation for fiscal year 2022 and \$42,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one full-time mental health counselor licensed under chapter 18.225 RCW who has experience and training specifically related to working with active members of the military or military veterans.

(21) \$175,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$215,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the William D. Ruckelshaus center to partner with the Washington State University for the continued work of the Washington state criminal sentencing task force established in ((section 1002 of this act)) section 944 of this act.

(22)(a) \$85,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the William D. Ruckelshaus center to conduct a situation assessment to gauge the prospects for a collaborative approach to integration of leadership, aligning roles and responsibilities, and increasing efficiency and responsiveness of the state's K-12 education governance structure. The assessment must:

(i) Identify issues, challenges, and opportunities related to administration and governance of K-12 education in Washington

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state;

(ii) Consist of interviews with representatives of state-funded K-12 education agencies, boards, commissions, and other relevant entities identified by the center;

(iii) Explore potential opportunities for the integration, alignment, and/or consolidation of roles and responsibilities of entities; and

(iv) Identify key areas of focus.

(b) The center must report the assessment's findings and recommendations to the education committees of the legislature by March 31, 2022, with a preliminary report by February 1, 2022, as to whether circumstances support the convening and facilitation of a collaborative work group.

(23)(a) \$331,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the university to conduct an organic waste study to:

(i) Assess local and state government compost usage in projects and buy-back programs under RCW 43.19A.120 and 43.19A.130 including but not limited to participation, effectiveness, and amount and types of usage of compost; and

(ii) Develop a model to estimate carbon sequestration from organic waste-derived soil amendment application to soil, and identify technologies, methods, and potential funding for carbon sequestration from Washington's organic wastes including but not limited to the potential inclusion of these materials in carbon markets and trading.

(b) The university must submit a report on the assessment's findings and model development to the appropriate committees of the legislature by December 31, 2022.

(24) \$500,000 of the general fund—federal appropriation (CRRSA) is provided solely to support farm stress programs in response to the COVID-19 pandemic, as authorized in section 766, division N, consolidated appropriations act, 2021, P.L. 116-260.

(25) \$200,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Third Substitute House Bill No. 1091 (transportation fuel/carbon). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(26) \$86,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1273 (menstrual products/schools). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(27) \$101,000 of the general fund—state appropriation for fiscal year 2022 and \$101,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(28) \$281,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of chapter 6, Laws of 2021 (Engrossed Substitute Senate Bill No. 5272).

(29) The appropriations in this section include sufficient funding for the implementation of chapter 96, Laws of 2021 (Substitute Senate Bill No. 5228).

(30) \$224,000 of the general fund—state appropriation for fiscal year 2022 and \$221,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute Senate Bill No. 5253 (pollinator health). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(31) \$1,718,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5126 (climate commitment act). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(32) \$412,000 from the institutions of higher education—grant and contracts account is provided solely for implementation of Substitute Senate Bill No. 5317 (pesticide registration). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection shall lapse.))

(33) \$33,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for compensation funding for Western Washington University employees that work on the Washington State University Everett campus.

(34) \$341,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for pharmacy behavioral health. Washington State University college of pharmacy and pharmaceutical sciences will hire two residency training positions and one behavioral health faculty to create a residency program focused on behavioral health.

(35) \$1,337,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(36) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington state commission on pesticide registration to fund research to develop alternatives for growers currently using organophosphate pesticides.

(37) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for residential energy code education and support, including training, hotline support to the building industry, and informational material and web resources. The energy program shall engage stakeholders in a discussion of overall enforcement support and work to identify workforce development needs and opportunities.

(38) \$750,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington state academy of sciences to provide support for core operations and to accomplish its mission of providing science in the service of Washington, pursuant to its memorandum of understanding with the university.

(39)(a) \$175,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington state academy of sciences for a review of department of fish and wildlife fishery-related mortality estimates for wild salmonid stocks from conventional and alternative commercial fishing gears authorized for use within lower Columbia river nontribal salmon fisheries, specifically gill net, tangle net, beach seine, purse seine, and pound net, and the ability of each fishing gear to selectively harvest hatchery-reared salmon.

(b) The review must:

(i) Determine the extent to which wild salmonid stocks are harvested in a gear-specific fishery, including a review of current stock composition estimates;

(ii) Identify and synthesize stock-specific data and peer-reviewed scientific literature that exists for immediate and long-term post-release mortality rates and annual wild salmonid stock encounters for each gear within specific fishing seasons in the lower Columbia river; and

(iii) Determine the origins and scientific bases of stock-specific bycatch mortality rate estimates currently used by the department of fish and wildlife for management of endangered species act listed fish stocks impacted by each nontribal commercial fishing gear and evaluate the precision and accuracy of these estimates

relative to the data and peer-reviewed scientific literature that exists.

(c) By June 30, 2023, the Washington academy of sciences must submit a report to the appropriate committees of the legislature pursuant to RCW 43.01.036 of its findings and recommendations related to gear-specific data gaps and the need to potentially reassess approved bycatch mortality and encounter rates used by the department of fish and wildlife for fishery management. It is intended that the report will inform development of an investment plan and management strategy to continue the transition of lower Columbia river nontribal commercial fisheries toward science-based selective fishing regimes that create the least harm to wild salmonids and are most beneficial to Columbia river basin salmon recovery efforts.

(40) \$188,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for stormwater research to study the long-term efficacy of green stormwater infrastructure that incorporates compost to remove pollutants.

(41) \$2,056,000 of the workforce education investment account—state appropriation is provided solely to establish a bachelor's degree in cybersecurity operations.

(42) \$80,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5764 (apprenticeships and higher ed). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(43) \$135,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 1814 (community solar projects). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(44) \$121,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(45) \$122,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of House Bill No. 1622 (sex. assault nurse education). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(46) \$500,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Washington State University to partner with a nonprofit entity based in Olympia that focuses on sustainable infrastructure solutions to develop recommendations for increasing the economic value and sustainability of Washington's agricultural sector through the use of industrial symbiosis principles, to connect agriculture producers and processors with partners to achieve synergies through systems-based resource sharing resulting in economic benefits and value creation for all participants, through sustainable resource recovery and optimization of energy, water, and organic waste streams. By June 30, 2023, the Washington State University must report recommendations to the appropriate committees of the legislature pursuant to RCW 43.01.036.

Sec. 605. 2021 c 334 s 608 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY

General	Fund—State	Appropriation	(FY 2022)
			(\$58,079,000)
			<u>\$58,296,000</u>
General	Fund—State	Appropriation	(FY 2023)
			(\$59,057,000)
			<u>\$61,496,000</u>
Education	Legacy Trust	Account—State	Appropriation
			\$16,838,000

Workforce	Education	Investment	Account—State
Appropriation			(\$5,210,000)
			<u>\$15,244,000</u>
TOTAL APPROPRIATION			(((\$139,184,000))
			<u>\$151,874,000</u>

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

(1) At least \$200,000 of the general fund—state appropriation for fiscal year 2022 and at least \$200,000 of the general fund—state appropriation for fiscal year 2023 must be expended on the Northwest autism center.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) ((\$11,002,000)) \$11,356,000 of the general fund—state appropriation for fiscal year 2022 and ((\$11,211,000)) \$11,617,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(5) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(6) \$56,000 of the general fund—state appropriation for fiscal year ((2022)) 2023 is provided solely for a comprehensive analysis of the deep lake watershed involving land owners, ranchers, lake owners, one or more conservation districts, the department of ecology, and the department of natural resources.

(7) \$2,274,000 of the workforce education investment account—state appropriation is provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(8) \$2,636,000 of the workforce education investment account—state appropriation is provided solely to maintain a computer engineering degree program in the college of science, technology, engineering, and math.

(9) \$45,000 of the general fund—state appropriation for fiscal year 2022 and \$45,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one full-time mental health counselor licensed under chapter 18.225 RCW who has experience and training specifically related to working with active members of the military or military veterans.

(10) \$300,000 of the workforce education investment account—state appropriation is provided solely to establish a center for inclusive excellence for faculty and staff.

(11) \$500,000 of the general fund—state appropriation for fiscal year 2022 and \$500,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for increasing dual credit options, to address issues of equity in higher education access.

(12) \$110,000 of the general fund—state appropriation for fiscal year 2022 and \$110,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a new summer bridge program.

(13) \$27,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed

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Substitute House Bill No. 1273 (menstrual products/schools). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(14) \$125,000 of the general fund—state appropriation for fiscal year 2022 and \$125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1335 (racial restrictions/review). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(15) \$121,000 of the general fund—state appropriation for fiscal year 2022 and \$121,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(16) \$548,000 of the workforce education investment account—state appropriation is provided solely for a professional masters of science cyber operations degree option.

(17) \$2,262,000 of the workforce education investment account—state appropriation is provided solely to establish a bachelor of science in cybersecurity degree option through the computer science program.

(18) \$1,054,000 of the workforce education investment account—state appropriation is provided solely for the implementation of a coordinated care network that will help to maximize the collaboration of various student support services to create wraparound care for students to address obstacles to degree completion. The amount provided in this subsection must be used to supplement, not supplant, other funding sources for the program.

(19) \$262,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(20) \$6,170,000 of the workforce education investment account—state appropriation is provided solely to establish a bachelor of science in nursing program.

(21) \$68,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5764 (apprenticeships and higher ed). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(22) \$43,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 606. 2021 c 334 s 609 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY			
General	Fund—State	Appropriation	(FY 2022)
			(\$59,896,000))
			<u>\$60,220,000</u>
General	Fund—State	Appropriation	(FY 2023)
			(\$61,151,000))
			<u>\$64,057,000</u>
Central Washington University Capital Projects Account—			
State Appropriation			
			\$76,000
Education	Legacy Trust	Account—State	Appropriation
			\$19,076,000
Workforce	Education	Investment	Account—State
Appropriation			(\$4,022,000))
			<u>\$5,071,000</u>

TOTAL APPROPRIATION (((\$144,221,000))
\$148,500,000)

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

(1) The university must continue work with the education research and data center to demonstrate progress in engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in engineering programs above the prior academic year.

(2) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) (((\$12,401,000)) \$12,800,000 of the general fund—state appropriation for fiscal year 2022 and (((\$12,636,000)) \$13,094,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(4) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(5) \$2,236,000 of the workforce education investment account—state appropriation is provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(6) \$1,050,000 of the workforce education investment account—state appropriation is provided solely to increase the number of certified K-12 teachers.

(7) \$736,000 of the workforce education investment account—state appropriation is provided solely to maintain mental health counseling positions.

(8) \$240,000 of the general fund—state appropriation for fiscal year 2022 and \$240,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for two psychologists to increase access to mental health counseling for traditionally underrepresented students.

(9) \$52,000 of the general fund—state appropriation for fiscal year 2022 and \$52,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one full-time mental health counselor licensed under chapter 18.225 RCW who has experience and training specifically related to working with active members of the military or military veterans.

(10) \$155,000 of the general fund—state appropriation for fiscal year 2022 is provided solely to implement chapter 295, Laws of 2019 (educator workforce supply).

(11) \$750,000 of the general fund—state appropriation for fiscal year 2022 and \$750,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to establish a bachelor of science in computer science at the university's Des Moines center.

(12) \$31,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1273 (menstrual products/schools). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(13) \$131,000 of the general fund—state appropriation for fiscal year 2022 and \$131,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall

lapse.)

(14) \$16,000 of the general fund—state appropriation for fiscal year 2022 and \$16,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5259 (law enforcement data). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(15) \$613,000 of the workforce education investment account—state appropriation is provided solely for expanding cybersecurity capacity by adding additional faculty resources in the department of computer science.

(16) \$293,000 of the workforce education investment account—state appropriation is provided solely for a peer mentoring program. The amount provided in this subsection must be used to supplement, not supplant, other funding sources for the program.

(17) \$325,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(18) \$143,000 of the workforce education investment account—state appropriation is provided solely for the creation of an extended orientation program to help promote retention of underserved students. The amount provided in this subsection must be used to supplement, not supplant, other funding sources for the program.

(19) \$20,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(20) \$55,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for community collaborations to document and preserve the Roslyn cemetery.

Sec. 607. 2021 c 334 s 610 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

General Fund—State	Appropriation (FY 2022)	
		((32,450,000))
		<u>\$32,123,000</u>
General Fund—State	Appropriation (FY 2023)	
		((32,068,000))
		<u>\$35,611,000</u>
The Evergreen State College Capital Projects Account—State Appropriation		\$80,000
Education Legacy Trust Account—State Appropriation		\$5,450,000
Workforce Education Investment Account—State Appropriation		\$3,906,000
TOTAL APPROPRIATION		((73,954,000))
		<u>\$77,170,000</u>

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

(1) (((\$3,772,000)) \$3,893,000 of the general fund—state appropriation for fiscal year 2022 and (((\$3,843,000)) \$3,983,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(2) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

(3) Within amounts appropriated in this section, the college is encouraged to increase the number of tenure-track positions created and hired.

(4) (((\$3,207,000)) \$2,760,000 of the general fund—state appropriation for fiscal year 2022 and (((\$2,677,000)) \$3,560,000

of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington state institute for public policy to initiate, sponsor, conduct, and publish research that is directly useful to policymakers and manage reviews and evaluations of technical and scientific topics as they relate to major long-term issues facing the state. Within the amounts provided in this subsection (4):

(a) \$1,391,000 of the amounts in fiscal year 2022 and \$1,399,000 of the amounts in fiscal year 2023 are provided for administration and core operations.

(b) \$828,000 of the amounts in fiscal year 2022 and \$937,000 of the amounts in fiscal year 2023 are provided solely for ongoing and continuing studies on the Washington state institute for public policy's work plan.

(c) \$60,000 of the amounts in fiscal year 2022 are provided solely to the Washington state institute for public policy for the continued work and research on behalf of the domestic violence risk assessment work group ((established in section 959 of this act)).

(d) \$25,000 of the amounts in fiscal year 2022 and \$40,000 of the amounts in fiscal year 2023 are provided solely to the Washington state institute for public policy for the continued work and research on behalf of the Washington state criminal sentencing task force established in ((section 1002 of this act)) section 944 of this act.

(e)(i) (((\$90,000)) \$14,000 of the amounts in fiscal year 2022 and \$76,000 of the amounts in fiscal year 2023 are provided solely for the Washington state institute for public policy to study net nanny and similar fictitious victim sting operations. The study must:

(A) Describe the current research on net nanny-type sting operations, including any evidence of their effectiveness in deterring or reducing crime, their costs, and the potential advantages or drawbacks of their use in crime prevention; and

(B) Compare the characteristics of individuals convicted under net nanny stings with individuals convicted of child sex offenses through other avenues.

(ii) The Washington state patrol shall provide the Washington state institute for public policy with the data necessary to conduct the analysis in (e)(i)(B) of this subsection. A net nanny sting operation is a collaborative operation that includes local, state, and federal law enforcement that targets the arrest and prosecution of individuals involved in child abuse and exploitation using the internet by using a fictitious victim. By June 30, ((2022)) 2023, the institute must submit results from the study to the appropriate committees of the legislature.

(f) (((\$70,000)) \$124,000 of the general fund—state appropriation for fiscal year 2022 and (((\$130,000)) \$76,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington state institute for public policy to study legal financial obligations as defined in RCW 9.94A.030.

(i) The study should explore the following topics:

(A) The amount of legal and financial obligations imposed over the last three years;

(B) The total amounts outstanding and the total amounts collected annually, including annual collection rates; including all restitution, costs, fees, fines, penalty assessments, and interest, disaggregated;

(C) Statutes which allow for the imposition of legal and financial obligations;

(D) The percentage of the judicial branch's budget which has been supported by legal and financial obligations since the system's inception;

(E) The programs funded by legal financial obligations; and

(F) How other states fund their court system including but not

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limited to whether they use legal financial obligations to provide support.

(ii) The study should recommend to the legislature potential methods and processes to delink court related funding and other county and local funding from the collection of legal financial obligations and to provide such funding through other means.

(iii) The Washington state institute for public policy may solicit input for the study from interested parties to include but not be limited to the Washington state association of counties, the Washington state association of county officials, the Washington state association of prosecuting attorneys, superior court judges, civil legal aid, civil rights attorneys, disability rights advocates, crime victim advocates, persons formerly incarcerated, advocates for persons who are currently or formerly incarcerated, academic researchers, persons with expertise analyzing data on legal financial obligations, the Washington state minority and justice commission, and the administrative office of the courts.

(iv) An initial report is due to the legislature by December 1, 2021, with a supplemental and final report due to the legislature by December 1, 2022.

(g) ((\$75,000)) \$7,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$68,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the institute to review available research literature to investigate and describe any relationship between early substance abuse of cannabis, opioids, or cocaine and mental health disorders in young adults; and any relationship between nutrition and mental health disorders in young adults. The institute shall report its findings to the legislature no later than ((June 30, 2022)) December 1, 2022.

(h)(i) ((\$175,000)) \$102,000 of the amounts in fiscal year 2022 and \$73,000 of the amounts in fiscal year 2023 are provided solely for the Washington state institute for public policy to partner with a context expert to conduct a wilderness therapy research review. The University of Washington evidence-based practice institute and Washington State University impact center must assist the institute in identifying a content expert. For the review, the institute must:

(A) Identify wilderness therapy program models related to behavioral health which have a treatment approach which is well defined or definable and have a strong evidence base to be added to reporting guides for being identified as an evidence-based practice for mental health, including identification of target populations for these programs;

(B) Identify wilderness/adventure program models available for prevention services which are cost beneficial; and

(C) Assess the interest and likelihood of support for programs of this nature among relevant interest groups, such as state prevention coalitions and tribes, if such programs were listed as approved cost beneficial prevention programs by the division of behavioral health and recovery and the Washington state health care authority.

(ii) The institute must submit to the appropriate committees of the legislature a report on (h)(i)(A) and (B) of this subsection by ((December 31, 2021)) June 30, 2022, and a report on (h)(i)(C) of this subsection by ((June 30, 2022)) December 1, 2022.

(i) ((\$272,000)) \$15,000 of the amounts in fiscal year 2022 and ((\$98,000)) \$286,000 of the amounts in fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5304 (reentry services/state and local institutions). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection (4)(i) shall lapse.))

(j) ((\$71,000)) \$48,000 of the amounts in fiscal year 2022 and ((\$66,000)) \$89,000 of the amounts in fiscal year 2023 are provided solely for implementation of Engrossed Second

Substitute Senate Bill No. 5194 (equity and access in higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection (4)(j) shall lapse.))

(k)(i) ((\$150,000)) \$75,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$75,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington state institute for public policy to conduct a cost-benefit analysis for an exclusive or partial American steel requirement for future contracts and subcontracts authorized in the capital budget. The cost-benefit analysis must, to the extent feasible:

(A) Compare existing types and uses of steel to America made steel alternatives, including evaluation of quality;

(B) Examine benefits to Washington workers and the Washington economy;

(C) Examine lifecycle and embodied carbon greenhouse gas emissions;

(D) Identify requirements for purchasing American steel that minimize costs and maximize benefits; and

(E) Evaluate American steel requirements or preferences in other states.

(ii) The institute may solicit input for the analysis from representatives of interested parties to include, but not be limited to, the construction and manufacturing sectors, organized labor in the construction and manufacturing sectors, cities, counties, American steel manufacturing companies, environmental advocacy organizations, and appropriate state agencies.

(iii) The institute must submit a final report to the appropriate committees of the legislature by December 1, ((2021)) 2022.

(l) \$47,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1044 (prison to postsecondary ed.). ((If the bill is not enacted by June 30, 2021, the amount provided in this subsection (4)(l) shall lapse.))

(m) \$71,000 of the amounts in fiscal year 2022 and \$91,000 of the amounts in fiscal year 2023 are provided solely for implementation of chapter 314, Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141) (env. justice task force recs).

(n) \$125,000 of the amounts in fiscal year 2023 is provided solely for an evaluation of student participation in transitional kindergarten programs across the state. By December 31, 2023, the institute shall report the results of its evaluation to the appropriate legislative committees; the governor; the office of the superintendent of public instruction; and the department of children, youth, and families. It is the intent of the legislature to provide funding in the 2023-2025 fiscal biennium budget for the institute to complete the report by December 31, 2023. For the evaluation, to the extent data is available, the institute shall collect data regarding:

(i) The number of districts providing transitional kindergarten programs, including the number of classrooms and students in the program per district;

(ii) The number of children participating in transitional kindergarten programs across the state, disaggregated by demographic information such as race, gender, and income level;

(iii) The number of children participating in transitional kindergarten programs that attended prekindergarten previous to transitional kindergarten;

(iv) The number of children participating in transitional kindergarten who received early learning services through the early childhood education and assistance program;

(v) The number of children participating in transitional kindergarten with an individualized education plan;

(vi) An analysis of how school districts select and prioritize children for enrollment in transitional kindergarten;

(vii) The differences in teacher preparation, certification, and classroom instruction for transitional kindergarten compared to the early childhood education and assistance program;

(viii) The identification of why school districts offer transitional kindergarten, the early childhood education and assistance program, and other early learning programs such as traditional or developmental prekindergarten, and the funding sources used; and

(ix) The use of transitional kindergarten in other states in comparison to Washington state, and any outcome data available.

(o)(i) \$62,000 of the amounts for fiscal year 2023 is provided solely for a comprehensive study to assess specific needs of farmworkers in the state in order to help policymakers determine whether those needs are being met by state administered programs, policies, and statutes. The institute must consult with farmworker advocacy organizations, state agencies administering programs and policies impacting farmworkers, and nonprofit organizations that work directly with farmworkers.

(ii) As part of its information gathering, the institute must hear from farmworkers, either directly or through the nonprofit organizations, regarding farmworkers' experiences and working conditions. These personal, real-life experiences from farmworkers must be based on informal interviews or surveys conducted by Latino nonprofit organizations that have well-established connections and relationships with farmworkers.

(iii) The study must focus on needs related to health and safety in the workplace, payment of wages, and preventing harassment and discrimination of, and retaliation against, farmworkers for asserting their rights regarding health and safety standards, wage and hour laws, and access to services.

(iv) The study must include:

(A) An examination of how the relevant state agencies coordinate with each other and federal agencies in administering and enforcing the various laws, policies, and programs, and of the agencies' education and outreach to farmworkers regarding farmworkers' rights and protections;

(B) A review of available data from, and research of, programs that are intended to increase health and safety outcomes for farmworkers and that are intended to provide farmworkers access to services and benefits; and

(C) Options on ways to improve agency coordination and the effectiveness of reviewed programs.

(v) It is the intent of the legislature to provide funding in the 2023-2025 fiscal biennium budget for the institute to complete the report by June 30, 2025, with a preliminary report submitted by December 1, 2023.

(p) \$116,000 of the amounts in fiscal year 2023 is provided solely for the Washington state institute for public policy to undertake a study on the nature and scope of the underground economy and to recommend what policy changes, if any, are needed to address the underground economy in the construction industry, including whether greater cohesion and transparency among state agencies is needed. The report must address the extent of and projected costs to the state and workers of the underground economy. The institute must submit a report to the appropriate committees of the legislature by December 1, 2022.

(q) Notwithstanding other provisions in this subsection, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2021-23 work plan as necessary to efficiently manage workload.

(5) \$2,636,000 of the workforce education investment account—state appropriation is provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(6) \$670,000 of the workforce education investment account—state appropriation is provided solely to maintain enrollment capacity in psychology programs.

(7) \$600,000 of the workforce education investment account—state appropriation is provided solely to increase student success by maintaining support for a student precollege immersion program and The Evergreen first-year experience.

(8) \$213,000 of the general fund—state appropriation for fiscal year 2022 and \$213,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for additional faculty to support Native American and indigenous programs.

(9) \$85,000 of the general fund—state appropriation for fiscal year 2022 and \$85,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to the native pathways program for an assistant director.

(10) \$110,000 of the general fund—state appropriation for fiscal year 2022 and \$110,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to establish a new tribal liaison position.

(11) \$39,000 of the general fund—state appropriation for fiscal year 2022 and \$39,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one full-time mental health counselor licensed under chapter 18.225 RCW who has experience and training specifically related to working with active members of the military or military veterans.

(12) \$7,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1273 (menstrual products/schools). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(13) \$236,000 of the general fund—state appropriation for fiscal year 2022 and \$220,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(14) \$158,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(15) \$142,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for student mental health and wellness. The amount provided in this subsection must be used to supplement, not supplant, other funding sources for the program.

(16) \$196,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for additional laboratory, art, and media lab sections.

(17) \$600,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to develop and expand current corrections education programs offered in department of corrections facilities. The college shall appoint a project implementation team, collaborate with stakeholders to plan student success programs and curriculum which lead to transferable credit, associate and bachelor's degrees, and other workforce credentials, and train faculty and staff on working with incarcerated populations.

(18) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of chapter 329, Laws of 2021 (Substitute House Bill No. 1223) (custodial interrogations).

(19) \$27,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

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Sec. 608. 2021 c 334 s 611 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State	Appropriation (FY 2022)	(\$83,910,000)
		<u>\$84,528,000</u>
General Fund—State	Appropriation (FY 2023)	(\$85,554,000)
		<u>\$91,203,000</u>
Western Washington University Capital Projects Account—		
State Appropriation		\$1,424,000
Education Legacy Trust Account—State	Appropriation	\$13,831,000
Workforce Education Investment Account—State		
Appropriation		(\$6,698,000)
		<u>\$8,727,000</u>
TOTAL APPROPRIATION		(\$191,417,000)
		<u>\$199,713,000</u>

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

(1) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(2) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) ((\$17,116,000)) \$17,667,000 of the general fund—state appropriation for fiscal year 2022 and ((\$17,441,000)) \$18,073,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(4) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to recruit and retain high quality and diverse graduate students.

(5) \$494,000 of the general fund—state appropriation for fiscal year 2022 and \$548,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for critical support services to ensure traditionally underrepresented students receive the same opportunities for academic success as their peers.

(6) \$700,000 of the general fund—state appropriation for fiscal year 2022 and \$700,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the creation and implementation of an early childhood education degree program at the western on the peninsulas campus. The university must collaborate with Olympic college. At full implementation, the university is expected to grant approximately 75 bachelor's degrees in early childhood education per year at the western on the peninsulas campus.

(7) \$1,306,000 of the general fund—state appropriation for fiscal year 2022 and \$1,306,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the university to develop a new program in marine, coastal, and watershed sciences.

(8) \$886,000 of the general fund—state appropriation for fiscal year 2022 and \$886,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the university to reduce tuition rates for four-year degree programs offered in partnership with Olympic college—Bremerton, Olympic

college—Poulsbo, and Peninsula college—Port Angeles that are currently above state-funded resident undergraduate tuition rates.

(9) \$90,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the university to assess the feasibility and benefits of expanding outdoor residential school programs to equitably serve either all fifth and sixth grade students, or only fifth or only sixth grade students statewide. The study shall explore the equity concerns exacerbated by the COVID-19 pandemic in the areas of outdoor recreation and outdoor learning experiences, with a focus on using physical activity and exposure to natural settings as a strategy for improving health disparities and accelerating learning for historically underserved populations. The study must also consider programs and facilities at outdoor residential schools, youth camps, and state parks and assess the impact of COVID-19 on these institutions, and recommend strategies to preserve and expand capacity for outdoor school. The university shall submit a report to the office of the governor, the office of the superintendent of public instruction, and the education committees of the legislature summarizing the assessment and making recommendations no later than September 30, 2021.

(10) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(11) \$2,256,000 of the workforce education investment account—state appropriation is provided solely for institution operating costs, including compensation and central services, in recognition that these costs exceed estimated increases in undergraduate operating fee revenue as a result of RCW 28B.15.067.

(12) \$3,426,000 of the workforce education investment account—state appropriation is provided solely to maintain access to science, technology, engineering, and mathematics degrees.

(13) \$1,016,000 of the workforce education investment account—state appropriation is provided solely to establish an academic curriculum in ethnic studies.

(14) \$48,000 of the general fund—state appropriation for fiscal year 2022 and \$48,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for one full-time mental health counselor licensed under chapter 18.225 RCW who has experience and training specifically related to working with active members of the military or military veterans.

(15) \$530,000 of the general fund—state appropriation for fiscal year 2022 and \$530,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the creation and implementation of two bilingual educator programs in the south King county region, including a bilingual elementary education degree program and a secondary education degree program. At full implementation, each cohort shall support up to 25 students per year.

(16) \$40,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for implementation of Engrossed Substitute House Bill No. 1273 (menstrual products/schools). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(17) \$353,000 of the general fund—state appropriation for fiscal year 2022 and \$153,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5227 (diversity, etc./higher education). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(18) \$5,000 of the general fund—state appropriation for fiscal year 2022 and \$2,000 of the general fund—state appropriation for

fiscal year 2023 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5259 (law enforcement data). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(19) \$769,000 of the workforce education investment account—state appropriation is provided solely for upgrading Cyber Range equipment and software.

(20) \$1,260,000 of the workforce education investment account—state appropriation is provided solely for student support services that include resources for outreach and financial aid support, retention initiatives including targeted support for underserved student populations, mental health support, and initiatives aimed at addressing learning disruption due to the global pandemic. The amount provided in this subsection must be used to supplement, not supplant, other funding sources for student support services.

(21) \$461,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for establishing a new master of science program in nursing.

(22) \$433,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the registered nurse to bachelors in nursing program.

(23) \$767,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for institution compensation costs in recognition that these costs exceed estimated increases in undergraduate operating fee revenue.

(24) \$30,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a review of how existing homeowners' associations, condominium associations, associations of apartment owners, and common interest communities in Washington can incorporate accessory dwelling units. The review shall include an examination of the governing documents of these associations and communities to determine how accessory dwelling units are explicitly or implicitly restricted and what the overall impact is on the state's housing supply from such restrictions. By June 30, 2023, in compliance with RCW 43.01.036, the institution must submit a report detailing its findings to the appropriate committees of the legislature.

(25) \$66,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Second Substitute House Bill No. 1751 (hazing prevention). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 609. 2021 c 334 s 612 (uncodified) is amended to read as follows:

**FOR THE STUDENT ACHIEVEMENT COUNCIL—
POLICY COORDINATION AND ADMINISTRATION**

General Fund—State Appropriation (FY 2022)(((\$7,667,000))	
	<u>\$7,777,000</u>
General Fund—State Appropriation (FY 2023)(((\$7,552,000))	
	<u>\$12,583,000</u>
General Fund—Federal Appropriation (((\$4,928,000))	
	<u>\$4,941,000</u>
Workforce Education Investment Account—State Appropriation (((\$615,000))	
	<u>\$6,427,000</u>
TOTAL APPROPRIATION (((\$20,762,000))	
	<u>\$31,728,000</u>

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

(1) \$126,000 of the general fund—state appropriation for fiscal year 2022 and \$126,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the consumer protection unit.

(2) \$500,000 of the workforce education investment account—state appropriation is provided solely to implement a marketing

and communications agenda as required in RCW 28C.30.040(1)(c).

(3) \$115,000 of the workforce education investment account—state appropriation is provided solely for the Washington student loan refinancing program as provided in chapter 28B.94 RCW.

(4) \$575,000 of the general fund—state appropriation for fiscal year 2022 and \$575,000 of the general fund—state appropriation for fiscal year 2023 are provided to increase the number of high school seniors and college bound scholars that complete the free application for federal student aid and the Washington application for state financial aid through digital engagement tools, expanded training, and increased events for high school students.

(5) The student achievement council must ensure that all institutions of higher education as defined in RCW 28B.92.030 and eligible for state financial aid programs under chapters 28B.92 and 28B.118 RCW provide the data needed to analyze and evaluate the effectiveness of state financial aid programs. This data must be promptly transmitted to the education data center so that it is available and easily accessible.

(6) \$25,000 of the general fund—state appropriation for fiscal year 2022 is provided solely for the Washington student achievement council to convene and coordinate a task force to propose strategies to eliminate financial and nonfinancial barriers to low-income students participating in running start, college in the high school, advanced placement, international baccalaureate, Cambridge, and career and technical education dual credit programs. The task force shall submit a report to the appropriate committees of the legislature by December 1, 2021. The report must include:

(a) Strategies to address the following financial and nonfinancial barriers to students:

(i) Per credit tuition fees and any other fees charged for college in the high school and career and technical education dual credit courses;

(ii) Books, fees, and any other direct costs charged to running start students when enrolling in college courses; and

(iii) Exam fees and other charges to students enrolling in exam-based dual credit courses;

(b) Recommendations on student supports to close equity gaps in dual credit access, participation, and success;

(c) Recommendations to improve and increase communication with students and families regarding the awareness, access, and completion of dual credit;

(d) Expanding access to dual credit opportunities for students in career and technical education pathways; and

(e) Running start data for fiscal year 2019, fiscal year 2020, and fiscal year 2021 for each community and technical college as described in ((section 605(29) of this act)) section 602(29) of this act.

(7) \$29,000 of the general fund—state appropriation for fiscal year 2022 and \$29,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Second Substitute House Bill No. 1044 (prison to postsecondary ed.). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(8) \$16,000 of the general fund—state appropriation for fiscal year 2022 and \$16,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute Senate Bill No. 5249 (mastery-based learning). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(9) \$1,000,000 of the workforce education investment account—state appropriation is provided solely for the career launch grant pool for the public four-year institutions.

(10) \$3,600,000 of the workforce education investment account—state appropriation is provided solely for a grant pool

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dedicated to nursing programs to purchase or upgrade simulation laboratory equipment.

(11) \$250,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the student achievement council to convene and coordinate the development of education and training programs for employees, focusing on correctional officers and medical staff, of the department of corrections to be provided through a contract with The Evergreen State College. Education and training programs must be designed collaboratively to best meet the needs of the department of corrections.

(12) \$850,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for administrative support services to carry out duties and responsibilities necessary for recipients of the Washington college grant who are enrolled in a state registered apprenticeship program.

(13) \$246,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to expand the homeless student assistance pilot program by two additional public four-year institutions of higher education. The institutions participating in the pilot program are subject to the same requirements as in RCW 28B.50.916. Of the amounts in this subsection, \$30,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for administration.

(14) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a Pierce county school district to expand a current program assisting high school seniors to identify a postsecondary pathway through a data driven approach.

(15)(a) \$80,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a pilot program to help students, including those enrolled in state registered apprenticeship programs, connect with health care coverage. The student achievement council, in cooperation with the council of presidents, must provide resources for up to two four-year colleges or universities, one on the east side and one on the west side of the Cascade mountains, to hire or train an employee to:

(i) Provide information to students and college and university staff about available health insurance options;

(ii) Develop culturally relevant materials and conduct outreach for historically marginalized and underserved student populations to assist these populations in their knowledge of access to low cost or free health insurance plans;

(iii) Provide ongoing technical assistance to students about health insurance options or health insurance application process; and

(iv) Provide technical assistance to students as a health benefit exchange certified assister, to help students understand, shop, apply, and enroll in health insurance through Washington health planfinder.

(b) Participation in the exchange assister program is contingent on fulfilling applicable contracting, security, and other program requirements.

(c) The legislature expects the council, in collaboration with the council of presidents and the health benefit exchange, to report to the appropriate committees of the legislature information about barriers students, including those enrolled in state registered apprenticeship programs, encountered to accessing health insurance coverage; and to provide recommendations on how to improve student and staff access to health coverage based on data gathered from the pilot program.

(16) \$25,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington student achievement council to convene stakeholders from institutions of

higher education, students, and community-based organizations to develop recommendations regarding residency statutes with the goal of ensuring consistent application of residency statutes and clarifying pathways to being a Washington resident student with a focus on ensuring equity to accessing student residency. By December 1, 2022, the council must submit a report with recommendations to the appropriate committees of the legislature pursuant to RCW 43.01.036.

(17) \$10,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the council to submit a progress report on the new or expanded cybersecurity and nursing academic programs that receive funding in sections 602 through 608 of this act, including the number of students enrolled. The council must coordinate with the institutions of higher education and the state board for community and technical colleges as provided in sections 601(4), 602(37), and 602(45) of this act. The progress report must be submitted to the appropriate committees of the legislature, pursuant to RCW 43.01.036, by June 30, 2023, and a final report is expected by December 1, 2024.

(18) \$2,800,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to a nonprofit organization located in King county to expand college services to support underserved students impacted by the pandemic and improve college retention and completion rates.

(19) \$275,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Engrossed Second Substitute Senate Bill No. 5764 (apprenticeships and higher ed). If the bill is not enacted by June 30, 2022, the amounts provided in this subsection shall lapse.

(20) \$137,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5847 (public employee PLSF info). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(21) \$1,200,000 of the workforce education investment account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1835 (postsecondary enrollment). No more than \$200,000 of the amounts provided in this subsection may be used for administration. If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(22) \$150,000,000 of the Washington student loan account—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1736 (state student loan program). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(23) If Second Substitute Senate Bill No. 5789 (innovation challenge program) is enacted by June 30, 2022, community-based organizations that receive state funding under subsection (18) of this section and section 602(41) of this act are not eligible for Washington career and college pathways innovation challenge program grant funding for the same purpose.

Sec. 610. 2021 c 334 s 613 (uncodified) is amended to read as follows:

**FOR THE STUDENT ACHIEVEMENT COUNCIL—
OFFICE OF STUDENT FINANCIAL ASSISTANCE**

General Fund—State	Appropriation	(FY 2022)	
			((274,215,000))
			<u>\$274,216,000</u>
General Fund—State	Appropriation	(FY 2023)	
			((270,597,000))
			<u>\$224,541,000</u>
General Fund—Federal	Appropriation		((14,061,000))
			<u>\$14,096,000</u>
General Fund—Private/Local	Appropriation		\$300,000

Education Legacy Trust Account—State	Appropriation	\$85,488,000
Washington Opportunity Pathways Account—State	Appropriation	(\$164,598,000)
		<u>\$223,786,000</u>
Aerospace Training Student Loan Account—State	Appropriation	(\$216,000)
		<u>\$217,000</u>
Workforce Education Investment Account—State	Appropriation	(\$299,870,000)
		<u>\$248,456,000</u>
Health Professionals Loan Repayment and Scholarship Program Account—State	Appropriation	\$1,720,000
TOTAL APPROPRIATION		(\$1,111,065,000)
		<u>\$1,072,820,000</u>

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

(1) \$7,834,000 of the general fund—state appropriation for fiscal year 2022 and \$7,835,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for student financial aid payments under the state work study program, including up to four percent administrative allowance for the state work study program.

(2) \$236,416,000 of the general fund—state appropriation for fiscal year 2022, ((\$236,416,000)) \$176,416,000 of the general fund—state appropriation for fiscal year 2023, ((\$297,865,000)) \$218,824,000 of the workforce education investment account—state appropriation, \$69,639,000 of the education legacy trust fund—state appropriation, and ((\$147,654,000)) \$207,654,000 of the Washington opportunity pathways account—state appropriation are provided solely for the Washington college grant program as provided in RCW 28B.92.200.

(3) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2021-2023 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off-campus job development, historical utilization trends, and student need.

(4) \$1,165,000 of the general fund—state appropriation for fiscal year 2022, \$1,165,000 of the general fund—state appropriation for fiscal year 2023, \$15,849,000 of the education legacy trust account—state appropriation, and ((\$16,944,000)) \$16,132,000 of the Washington opportunity pathways account—state appropriation are provided solely for the college bound scholarship program and may support scholarships for summer session. The office of student financial assistance and the institutions of higher education shall not consider awards made by the opportunity scholarship program to be state-funded for the purpose of determining the value of an award amount under RCW 28B.118.010.

(5) \$6,999,000 of the general fund—state appropriation for fiscal year 2022 and \$6,999,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the passport to college program. The maximum scholarship award is up to \$5,000. The council shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal years 2022 and 2023 for this purpose.

(6) \$2,981,000 of the general fund—state appropriation for fiscal year 2022 ((is)) and \$8,551,000 of the general fund—state appropriation for fiscal year 2023 are provided solely to meet state match requirements associated with the opportunity scholarship program. The legislature will evaluate subsequent

appropriations to the opportunity scholarship program based on the extent that additional private contributions are made, program spending patterns, and fund balance.

(7) \$3,800,000 of the general fund—state appropriation for fiscal year 2022 and \$3,800,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for expenditure into the health professionals loan repayment and scholarship program account. These amounts must be used to increase the number of licensed primary care health professionals to serve in licensed primary care health professional critical shortage areas. Contracts between the office and program recipients must guarantee at least three years of conditional loan repayments. The office of student financial assistance and the department of health shall prioritize a portion of any nonfederal balances in the health professional loan repayment and scholarship fund for conditional loan repayment contracts with psychiatrists and with advanced registered nurse practitioners for work at one of the state-operated psychiatric hospitals. The office and department shall designate the state hospitals as health professional shortage areas if necessary for this purpose. The office shall coordinate with the department of social and health services to effectively incorporate three conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies. The office may use these targeted amounts for other program participants should there be any remaining amounts after eligible psychiatrists and advanced registered nurse practitioners have been served. The office shall also work to prioritize loan repayments to professionals working at health care delivery sites that demonstrate a commitment to serving uninsured clients. It is the intent of the legislature to provide funding to maintain the current number and amount of awards for the program in the 2023-2025 fiscal biennium on the basis of these contractual obligations.

(8) \$1,000,000 of the general fund—state appropriation for fiscal year 2022 and \$1,000,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for behavioral health loan repayment program grants, pursuant to chapter 302, Laws of 2019 (2SHB 1668) (Washington health corps).

(9) \$4,125,000 of the general fund—state appropriation for fiscal year 2022 and ((\$4,125,000)) \$6,125,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for expenditure into the health professionals loan repayment and scholarship program account. The amount provided in this subsection is provided solely to increase loans within the behavioral health program.

(10) \$2,000,000 of the workforce education investment account—state appropriation is provided solely for the future teachers conditional scholarship and loan repayment program established in chapter 28B.102 RCW.

(11) \$2,000,000 of the general fund—federal appropriation (ARPA) is provided solely for ARPA anticipated state grants for the national health service corps.

(12) \$1,279,000 of the general fund—state appropriation for fiscal year 2022 and ((\$1,138,000)) \$1,313,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the Washington award for vocational excellence. \$175,000 of the general fund—state appropriation for fiscal year 2023 shall be used for administration.

(13) \$258,000 of the general fund—state appropriation for fiscal year 2022 and \$258,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 1166 (college students pilot). ((If the bill is not enacted by June 30, 2021, the amounts provided in this subsection shall lapse.))

(14) \$500,000 of the general fund—state appropriation for

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fiscal year 2022 (is) and \$206,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for a state match associated with the rural jobs program. ((The legislature will evaluate appropriations in future biennia to the rural jobs program based on the extent that additional private contributions are made.))

(15) \$27,627,000 of the workforce education investment account—state appropriation is provided solely for an annual bridge grant of \$500 to eligible students. A student is eligible for a grant if the student receives a maximum college grant award and does not receive the college bound scholarship program under chapter 28B.118 RCW. Bridge grant funding provides supplementary financial support to low-income students to cover higher education expenses.

(16) \$3,000,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of House Bill No. 2007 (nurse educator loans). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 611. 2021 c 334 s 614 (uncodified) is amended to read as follows:

FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund—State Appropriation (FY 2022)	(\$2,715,000)
	<u>\$2,798,000</u>
General Fund—State Appropriation (FY 2023)	(\$2,436,000)
	<u>\$5,139,000</u>
General Fund—Federal Appropriation	(\$55,483,000)
	<u>\$55,611,000</u>
General Fund—Private/Local Appropriation	\$212,000
Workforce Education Investment Account—State Appropriation	\$150,000
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	\$250,000
TOTAL APPROPRIATION	(\$61,246,000)
	<u>\$64,160,000</u>

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

(1) \$240,000 of the general fund—state appropriation for fiscal year 2022 and \$240,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the health workforce council of the state workforce training and education coordinating board. In partnership with the office of the governor, the health workforce council shall continue to assess workforce shortages across behavioral health disciplines and incorporate the recommended action plan completed in 2020.

(2) \$150,000 of the workforce education investment account—state appropriation is provided solely for staffing costs to support the workforce education investment accountability and oversight board established in RCW 28C.18.200.

(3) \$150,000 of the general fund—state appropriation for fiscal year 2022 and \$150,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the board to continue work under a new behavioral health workforce advisory committee, which shall monitor and report on the progress of recommendations from the board's previous behavioral health workforce assessments, and continue to develop policy and practice recommendations on emerging issues in the behavioral health workforce. The board must convene and staff the committee. The committee must provide a report and relevant recommendations to the appropriate committees of the legislature and the office of the governor under RCW 43.01.036 by December 1, 2021, and December 1, 2022.

(4) \$250,000 of the coronavirus state fiscal recovery fund—federal appropriation is provided solely for an accredited osteopathic medical school to implement an interprofessional

curriculum to educate health care providers and workforce on opioid misuse and addiction.

(5) \$225,000 of the general fund—state appropriation for fiscal year 2022 and \$225,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the board to collaborate and assist in the report required by the new behavioral health advisory committee established in subsection (3) of this section. The report shall contain an analysis of behavioral health workforce shortages and challenges, data to inform systems change, and relevant policy recommendations and actions informed by the employer demand projection and talent development pipeline analyses to the appropriate committees of the legislature and the office of the governor by December 1, 2021, and December 1, 2022. The board shall contract with a statewide nonprofit organization with expertise in promoting and supporting science, technology, engineering, and math education from early learning through postsecondary education to provide a regional analysis of supply pipelines to current behavioral health care opportunities, at the secondary and postsecondary levels, and will identify gaps and barriers to programs that lead to high-demand behavioral health occupations. In coordination with the board's employer demand projection analysis, the contractor will provide an analysis of the talent development pipeline to help inform the committee's work.

(6) \$772,000 of the general fund—state appropriation for fiscal year 2023 is provided solely to conduct health workforce surveys, in collaboration with the nursing care quality assurance commission, to collect and analyze data on the long-term care workforce; and manage a stakeholder process to address retention and career pathways in long-term care facilities.

(7) \$1,200,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for apprenticeship grants, in collaboration with the nursing care quality assurance commission and the department of labor and industries, to address the long-term care workforce.

(8) \$209,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for administrative expenditures for the Washington award for vocational excellence.

(9) \$216,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the board to collaborate with other state workforce agencies to identify a governance structure that provides strategic direction on cross-organizational information technology projects. By December 1, 2022, the board will submit a report the governor's office and appropriate legislative committees with recommendations on a coalition model that will result in better service coordination and public stewardship that enables the efficient delivery of workforce development services.

(10) \$18,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for Second Substitute Senate Bill No. 5789 (innovation challenge program). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

(11) \$187,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Substitute House Bill No. 2019 (careers in retail). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 612. 2021 c 334 s 615 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2022)	(\$9,224,000)
	<u>\$9,278,000</u>
General Fund—State Appropriation (FY 2023)	(\$9,357,000)
	<u>\$9,939,000</u>
General Fund—Private/Local Appropriation	\$34,000

TOTAL APPROPRIATION	(((\$18,615,000))	<u>\$12,860,000</u>
	<u>\$19,251,000</u>	

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

(1) Funding provided in this section is sufficient for the school to offer to students enrolled in grades six through twelve for full-time instructional services at the Vancouver campus or online with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

(2) \$24,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1153 (language access in schools). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 613. 2021 c 334 s 616 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

General Fund—State Appropriation (FY 2022)	(((\$14,767,000))	<u>\$15,108,000</u>
General Fund—State Appropriation (FY 2023)	(((\$14,974,000))	<u>\$16,104,000</u>
TOTAL APPROPRIATION	(((\$29,741,000))	<u>\$31,212,000</u>

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

(1) Funding provided in this section is sufficient for the center to offer students ages three through twenty-one enrolled at Washington School for the Deaf the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

(2) \$225,000 of the general fund—state appropriation in fiscal year 2022 and \$225,000 of the general fund—state appropriation in fiscal year 2023 are provided solely for the center for deaf and hard of hearing youth to develop or expand a mentoring program for persons employed as educational interpreters in public schools. Funding provided under this section is provided solely for recruiting, hiring, and training persons to be employed by Washington sensory disability services who must provide mentoring services in different geographic regions of the state, with the dual goals of providing services, beginning with the 2021-22 school year, to any requesting school district; and assisting persons in the timely and successful achievement of performance standards for educational interpreters.

(3) \$5,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1153 (language access in schools). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse.

Sec. 614. 2021 c 334 s 617 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2022)	(((\$2,614,000))	<u>\$2,760,000</u>
General Fund—State Appropriation (FY 2023)	(((\$2,648,000))	<u>\$4,788,000</u>
General Fund—Federal Appropriation	(((\$3,156,000))	<u>\$3,169,000</u>
General Fund—Private/Local Appropriation	(((\$50,000))	<u>\$143,000</u>
Coronavirus State Fiscal Recovery Fund—Federal Appropriation	\$2,000,000	
TOTAL APPROPRIATION	(((\$10,468,000))	

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

(1) \$80,000 of the general fund—state appropriation for fiscal year 2022 and \$79,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for the creative districts program.

(2) \$1,000,000 of the general fund—federal appropriation (ARPA) is provided solely for grants to arts organizations for programing and general operating expenses pursuant to section 2021 of the American rescue plan act of 2021, P.L. 117-2.

(3) \$1,000,000 of the coronavirus state fiscal recovery fund—federal appropriation for fiscal year 2022 and \$1,000,000 of the coronavirus state fiscal recovery fund—federal appropriation for fiscal year 2023 are provided solely for the Washington state arts commission to stabilize, recover, and preserve the state's arts and cultural organizations in light of pandemic conditions. From these amounts, the commission may distribute relief, response, and recovery grants to arts and cultural organizations statewide, subject to appropriate agreements.

(4) \$71,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for a grant to a business network in the Goldendale area to continue an arts-based revitalization and transformation project in downtown Goldendale.

Sec. 615. 2021 c 334 s 618 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2022)	(((\$4,024,000))	<u>\$4,270,000</u>
General Fund—State Appropriation (FY 2023)	(((\$4,035,000))	<u>\$4,878,000</u>
TOTAL APPROPRIATION	(((\$8,059,000))	<u>\$9,148,000</u>

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

(1) \$210,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the Washington state historical society to partner with a statewide organization specializing in the preservation of Washington state Jewish history to establish a new archive that captures the narratives and primary source materials of Jewish Washingtonians. This new archive must create the capacity to capture a 15-year backlog of hundreds of narratives and materials of Jewish Washingtonians, as well as unlimited new submissions, with the future goal of making these materials available to the public and linking to existing Jewish archival collections at the University of Washington.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2023 is provided solely for the department to contract with an organization that works with and connects museums in Washington state to create an inventory of heritage organizations across the state as the first phase of a Washington museums connect initiative.

Sec. 616. 2021 c 334 s 619 (uncodified) is amended to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2022)	(((\$3,305,000))	<u>\$3,481,000</u>
General Fund—State Appropriation (FY 2023)	(((\$3,388,000))	<u>\$4,095,000</u>
TOTAL APPROPRIATION	(((\$6,693,000))	<u>\$7,576,000</u>

**PART VII
SPECIAL APPROPRIATIONS**

Sec. 701. 2021 c 334 s 701 (uncodified) is amended to read

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as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
INFORMATION TECHNOLOGY INVESTMENT POOL**

General Fund—State Appropriation (FY 2022)(((\$9,029,000))	<u>\$14,143,000</u>
General Fund—State Appropriation (FY 2023)(((\$4,514,000))	<u>\$14,244,000</u>
General Fund—Federal Appropriation (((\$2,481,000))	<u>\$5,736,000</u>
General Fund—Private/Local Appropriation (((\$92,000))	<u>\$113,000</u>
Other Appropriated Funds (((\$15,707,000))	<u>\$19,647,000</u>
TOTAL APPROPRIATION (((\$31,823,000))	<u>\$53,883,000</u>

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

(1) The appropriations in this section are provided solely for expenditure into the information technology investment revolving account created in RCW 43.41.433. Amounts in the account are provided solely for the information technology projects shown in LEAP omnibus documents IT-2021, dated April 22, 2021, and IT-2022, dated March 8, 2022, which ((is)) are hereby incorporated by reference. To facilitate the transfer of moneys from other funds and accounts that are associated with projects contained in LEAP omnibus documents IT-2021, dated April 22, 2021, and IT-2022, dated March 8, 2022, the state treasurer is directed to transfer moneys from other funds and accounts to the information technology investment revolving account in accordance with schedules provided by the office of financial management. Restricted federal funds may be transferred only to the extent permitted by law, and will otherwise remain outside the information technology investment account. The projects affected remain subject to the other provisions of this section.

(2) Agencies must apply to ((the office of financial management and)) the office of the chief information officer ((to receive funding from the information technology investment revolving account)) for certification and release of funding for each gate of the project. ((The)) When the office of the chief information officer certifies the key deliverables of the gate have been met and a current technology budget is approved, it must notify the office of financial management ((must notify)) and the fiscal committees of the legislature ((of the receipt of each application and)). The office of financial management may not approve ((a funding request for)) funding for the certified project gate any earlier than ten business days from the date of notification to the fiscal committees of the legislature.

(3)(a) Allocations and allotments of information technology investment revolving account must be made for discrete stages of projects as determined by the technology budget approved by the office of the chief information officer and office of financial management.

(b) Fifteen percent of total funding allocated by the office of financial management, or another amount as defined jointly by the office of financial management and the office of the chief information officer, will be retained in the account, but remain allocated to that project. The retained funding will be released to the agency only after successful completion of that stage of the project. For the one Washington project, the amount retained is increased to at least twenty percent of total funding allocated for any stage of that project.

(4)(a) Each project must have a technology budget. The technology budget must have the detail by fiscal month for the 2021-2023 fiscal biennium. The technology budget must use a

method similar to the state capital budget, identifying project costs, each fund source, and anticipated deliverables through each stage of the entire project investment and across fiscal periods and biennia from project onset through implementation and close out, as well as at least five years of maintenance and operations costs.

(b) As part of the development of a technology budget and at each request for funding, the agency shall submit an updated technology budget, if changes occurred, to include detailed financial information to the office of financial management and the office of the chief information officer. The technology budget must describe the total cost of the project, as well as maintenance and operations costs, to include and identify at least:

(i) Fund sources:

(A) If the project is funded from the information technology revolving account, the technology budget must include a worksheet that provides the fund sources that were transferred into the account by fiscal year;

(B) If the project is by a central service agency, and funds are driven out by the central service model, the technology budget must provide a statewide impact by agency by fund as a worksheet in the technology budget file;

(ii) Full time equivalent staffing level to include job classification assumptions;

(iii) ((Discreet)) Discrete financial budget codes to include at least the appropriation index and program index;

(iv) Object and subobject codes of expenditures;

(v) Anticipated deliverables;

(vi) Historical budget and expenditure detail by fiscal year; and

(vii) Maintenance and operations costs by fiscal year for at least five years as a separate worksheet.

(c) If a project technology budget changes and a revised technology budget is completed, a comparison of the revised technology budget to the last approved technology budget must be posted to the dashboard, to include a narrative rationale on what changed, why, and how that impacts the project in scope, budget, and schedule.

(5)(a) Each project must have an investment plan that includes:

(i) An organizational chart of the project management team that identifies team members and their roles and responsibilities;

(ii) The office of the chief information officer staff assigned to the project;

(iii) An implementation schedule covering activities, critical milestones, and deliverables at each stage of the project for the life of the project at each agency affected by the project;

(iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product;

(v) Ongoing maintenance and operations cost of the project post implementation and close out delineated by agency staffing, contracted staffing, and service level agreements; and

(vi) Financial budget coding to include at least discrete financial coding for the project.

(6) Projects with estimated costs greater than one hundred million dollars from initiation to completion and implementation may be divided into discrete subprojects as determined by the office of the chief information officer, except for the one Washington project which must be divided into the following discrete subprojects: Core financials, expanding financials and procurement, budget, and human resources. Each subproject must have a technology budget and investment plan as provided in this section.

(7)(a) The office of the chief information officer shall maintain an information technology project dashboard that provides updated information each fiscal month on projects subject to this section. This includes, at least:

- (i) Project changes each fiscal month;
- (ii) Noting if the project has a completed market requirements document, and when it was completed;
- (iii) Financial status of information technology projects under oversight;
- (iv) Coordination with agencies;
- (v) Monthly quality assurance reports, if applicable;
- (vi) Monthly office of the chief information officer status reports;
- (vii) Historical project budget and expenditures through fiscal year 2021;
- (viii) Budget and expenditures each fiscal month;
- (ix) Estimated annual maintenance and operations costs by fiscal year; and
- (x) Posting monthly project status assessments on scope, schedule, budget, and overall by the:
 - (A) Office of the chief information officer;
 - (B) Agency project team; and
 - (C) Quality assurance vendor, if applicable to the project.
- (b) The dashboard must retain a roll up of the entire project cost, including all subprojects, that can display subproject detail. This includes coalition projects that are active.
- (8) If the project affects more than one agency:
 - (a) A separate technology budget and investment plan must be prepared for each agency; and
 - (b) The dashboard must contain a statewide project technology budget roll up that includes each affected agency at the subproject level.
- (9) For any project that exceeds two million dollars in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:
 - (a) Quality assurance for the project must report independently to the office of the chief information officer;
 - (b) The office of the chief information officer must review, and, if necessary, revise the proposed project to ensure it is flexible and adaptable to advances in technology;
 - (c) The technology budget must specifically identify the uses of any financing proceeds. No more than thirty percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;
 - (d) The agency must consult with the office of the state treasurer during the competitive procurement process to evaluate early in the process whether products and services to be solicited and the responsive bids from a solicitation may be financed; and
 - (e) The agency must consult with the contracting division of the department of enterprise services for a review of all contracts and agreements related to the project's information technology procurements.
- (10) The office of the chief information officer must evaluate the project at each stage and certify whether the project is planned, managed, and meeting deliverable targets as defined in the project's approved technology budget and investment plan.
- (11) The office of the chief information officer may suspend or terminate a project at any time if it determines that the project is not meeting or not expected to meet anticipated performance and technology outcomes. Once suspension or termination occurs, the agency shall unallot any unused funding and shall not make any expenditure for the project without the approval of the office of financial management. The office of the chief information officer must report on July 1 and December 1 each calendar year any suspension or termination of a project in the previous six month period to the legislative fiscal committees.
- (12) The office of the chief information officer, in consultation with the office of financial management, may identify additional

projects to be subject to this section, including projects that are not separately identified within an agency budget. The office of the chief information officer must report on July 1 and December 1 each calendar year any additional projects to be subjected to this section that were identified in the previous six month period to the legislative fiscal committees.

(13) Any cost to administer or implement this section for projects listed in subsection (1) of this section, must be paid from the information technology investment revolving account. For any other information technology project made subject to the conditions, limitations, and review of this section, the cost to implement this section must be paid from the funds for that project.

(14) The following information technology projects are subject to the conditions, limitations, and review in this section:

- (a) The unclaimed property system project of the department of revenue;
- (b) The one Washington procurement project of the department of enterprise services;
- (c) The security systems on campus project of the department of enterprise services;
- (d) The network core equipment project of the consolidated technology services agency; and
- (e) The data center switching equipment project of the consolidated technology services agency.

Sec. 702. 2021 c 334 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State	Appropriation (FY 2022)	(\$1,273,008,000)
		<u>\$1,265,240,000</u>
General Fund—State	Appropriation (FY 2023)	(\$1,374,570,000)
		<u>\$1,342,278,000</u>
State Building Construction Account—State	Appropriation	(\$12,323,000)
		<u>\$19,323,000</u>
Columbia River Basin Water Supply Development Account—State	Appropriation	\$13,000
Watershed Restoration and Enhancement Bond Account—State	Appropriation	\$181,000
State Taxable Building Construction Account—State	Appropriation	\$467,000
Debt-Limit Reimbursable Bond Retirement Account—State	Appropriation	\$511,000
	TOTAL APPROPRIATION	(\$2,661,073,000)
		<u>\$2,628,013,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

Sec. 703. 2021 c 334 s 704 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State	Appropriation (FY 2022)	\$1,400,000
General Fund—State	Appropriation (FY 2023)	\$1,400,000
State Building Construction Account—State	Appropriation	(\$2,466,000)
		<u>\$4,249,000</u>

Columbia River Basin Water Supply Development

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Account—State Appropriation	\$3,000
Watershed Restoration and Enhancement Bond Account—	
State Appropriation	\$39,000
State Taxable Building Construction Account—State	
Appropriation	\$94,000
TOTAL APPROPRIATION	<u>(\$5,402,000)</u>
	<u>\$7,185,000</u>

Sec. 704. 2021 c 334 s 705 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY FUND

General Fund—State Appropriation (FY 2022)	<u>(\$850,000)</u>
	<u>\$1,100,000</u>
General Fund—State Appropriation (FY 2023)	<u>(\$850,000)</u>
	<u>\$1,000,000</u>
TOTAL APPROPRIATION	<u>(\$1,700,000)</u>
	<u>\$2,100,000</u>

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

Sec. 705. 2021 c 334 s 706 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY ASSISTANCE FUND

General Fund—State Appropriation (FY 2022)	<u>(\$2,500,000)</u>
	<u>\$5,000,000</u>
General Fund—State Appropriation (FY 2023)	<u>(\$2,500,000)</u>
	<u>\$5,000,000</u>
TOTAL APPROPRIATION	<u>(\$5,000,000)</u>
	<u>\$10,000,000</u>

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for individual assistance consistent with RCW 38.52.030(9) during an emergency proclaimed by the governor, as defined in RCW 38.52.010(9). The office of financial management must notify the fiscal committees of the legislature of the receipt of each application or request for individual assistance from the governor's emergency fund by the governor or the adjutant general. The office of financial management may not approve, nor release, funding for 10 business days from the date of notification to the fiscal committees of the legislature.

Sec. 706. 2021 c 334 s 718 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—ANDY HILL CANCER RESEARCH ENDOWMENT FUND MATCH TRANSFER ACCOUNT

General Fund—State Appropriation (FY 2022)	\$951,000
General Fund—State Appropriation (FY 2023)	<u>\$30,683,000</u>
TOTAL APPROPRIATION	<u>(\$951,000)</u>
	<u>\$31,634,000</u>

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the Andy Hill cancer research endowment fund match transfer account per RCW 43.348.080 to fund the Andy Hill cancer research endowment program. Matching funds using the amounts appropriated in this section may not be used to fund new grants that exceed two years in duration.

Sec. 707. 2021 c 334 s 723 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—NORTHEAST WASHINGTON WOLF-LIVESTOCK MANAGEMENT ACCOUNT

General Fund—State Appropriation (FY 2022)	\$496,000
General Fund—State Appropriation (FY 2023)	<u>(\$456,000)</u>
	<u>\$546,000</u>
TOTAL APPROPRIATION	<u>(\$952,000)</u>
	<u>\$1,042,000</u>

The appropriations in this section are subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the northeast Washington wolf-livestock management account for the deployment of nonlethal wolf deterrence resources as provided in chapter 16.76 RCW.

Sec. 708. 2021 c 334 s 724 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—LONG-TERM SERVICES AND SUPPORTS ACCOUNT

General Fund—State Appropriation (FY 2022)	<u>(\$19,618,000)</u>
	<u>\$46,148,000</u>
TOTAL APPROPRIATION	<u>(\$19,618,000)</u>
	<u>\$46,148,000</u>

The appropriation in this section is subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the long-term services and supports account pursuant to chapter 98, Laws of 2020 and chapter 363, Laws of 2019. This constitutes a loan from the general fund and must be repaid, with interest, to the general fund by June 30, ((2022)) 2024.

Sec. 709. 2021 c 334 s 744 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—COVID-19 PUBLIC HEALTH RESPONSE ACCOUNT—PUBLIC HEALTH WORKFORCE

General Fund—Federal Appropriation	<u>(\$100,000,000)</u>
	<u>\$85,000,000</u>
TOTAL APPROPRIATION	<u>(\$100,000,000)</u>
	<u>\$85,000,000</u>

The appropriation in this section is subject to the following conditions and limitations: The entire general fund—federal appropriation (ARPA) is provided solely for expenditure into the COVID-19 public health response account, from which the department of health may make expenditures from this sum solely to hire case investigators, contact tracers, public health nurses, disease intervention specialists, epidemiologists, and other positions as may be required to prevent, prepare for, and respond to COVID-19, and to provide personal protection equipment. Allowable uses include distribution or reimbursement to local health jurisdictions and tribes for activities consistent with the purposes of this section.

Sec. 710. 2021 c 334 s 745 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—COVID-19 PUBLIC HEALTH RESPONSE ACCOUNT—VACCINES

General Fund—Federal Appropriation	<u>(\$100,000,000)</u>
	<u>\$76,000,000</u>
TOTAL APPROPRIATION	<u>(\$100,000,000)</u>
	<u>\$76,000,000</u>

The appropriation in this section is subject to the following conditions and limitations: The entire general fund—federal appropriation (ARPA) is provided solely for expenditure into the COVID-19 public health response account, from which the department of health may make expenditures from this sum solely for vaccine distribution and administration, including the establishment and expansion of community vaccination centers and mobile vaccination units, particularly in underserved areas; reporting enhancements; communication efforts; and

transportation of individuals, particularly in underserved populations, to vaccination sites. Allowable uses include distribution or reimbursement to local health jurisdictions and tribes for activities consistent with the purposes of this section.

Sec. 711. 2021 c 334 s 746 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
COVID-19 PUBLIC HEALTH RESPONSE ACCOUNT—
TESTING AND TRACING**

General Fund—Federal Appropriation	(((\$900,000,000))
	<u>\$780,000,000</u>
TOTAL APPROPRIATION	(((\$900,000,000))
	<u>\$780,000,000</u>

The appropriation in this section is subject to the following conditions and limitations: The entire general fund—federal appropriation (ARPA) is provided solely for expenditure into the COVID-19 public health response account, from which the department of health may make expenditures from this sum solely for the statewide response to the COVID-19 pandemic, including diagnostic testing, case investigation and contact tracing, care coordination, outbreak response, data collection and analysis, and other activities required to support the response. Allowable uses include distribution or reimbursement to local health jurisdictions and tribes for activities consistent with the purposes of this section.

Sec. 712. 2021 c 334 s 748 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
STATE HEALTH CARE AFFORDABILITY ACCOUNT**

General Fund—State Appropriation (FY 2023)	(((\$50,000,000))
	<u>\$55,000,000</u>
TOTAL APPROPRIATION	(((\$50,000,000))
	<u>\$55,000,000</u>

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

(1) The appropriations are provided solely for expenditure into the state health care affordability account created in ((Engrossed Second Substitute Senate Bill No. 5377 (standardized health plans))) RCW 43.71.130. ((If the bill is not enacted by June 30, 2021, the amounts appropriated in this section shall lapse.))

(2) It is the intent of the legislature to continue the policy of expending \$5,000,000 into the account each fiscal year in future biennia for the purpose of funding premium assistance for customers ineligible for federal premium tax credits who meet the eligibility criteria established in section 214(1)(a) of this act. Future expenditures into the account are contingent upon approval of the applicable waiver described in section 214(12)(b) of this act.

Sec. 713. 2021 c 334 s 753 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
CORONAVIRUS RELIEF FUNDS**

General Fund—Federal Appropriation	(((\$280,000,000))
	<u>\$5,711,000</u>
TOTAL APPROPRIATION	(((\$280,000,000))
	<u>\$5,711,000</u>

The appropriation in this section is subject to the following conditions and limitations: The entire general fund—federal appropriation (CRF) is provided solely to the office of financial management for ((allotment)) allocation to state agencies for costs eligible to be paid from the coronavirus relief fund created by section 5001, the coronavirus aid, relief, and economic security act, P.L. 116-136, division A and where funding is provided elsewhere in this act for those costs using a funding source other than the coronavirus relief fund. For any agency

receiving an ((allotment)) allocation under this section, the office must place an equal amount of the agency's state or other federal source appropriation authority in unallotted reserve status, and those amounts may not be expended. In determining the use of amounts appropriated in this section, the office of financial management shall prioritize the preservation of state general fund moneys and federal state fiscal recovery fund moneys. The office must report on the use of the amounts appropriated in this section to the fiscal committees of the legislature monthly until all coronavirus relief fund moneys are expended or the unexpended moneys returned to the federal government, whichever is earlier.

NEW SECTION. Sec. 714. A new section is added to 2021 c 334 (uncodified) to read as follows:

FOR SUNDRY CLAIMS

The following sums, or so much thereof as may be necessary, are appropriated from the general fund for fiscal year 2022, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims.

These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

- (1) William J. Damson, claim number 9991006839 \$14,880
- (2) David Ziller, claim number 9991006721 \$13,257
- (3) Caleb B. Cline, claim number 9991006671 \$23,367
- (4) Julaine D. Pettis, claim number 9991005948 \$20,000
- (5) Jaydra Erchul Johnson, claim number 9991005804 \$8,270
- (6) Christopher Lundvall, claim number 9991007205 \$45,022
- (7) Carlos Cervantes, claim number 9991007388 \$6,298
- (8) Jarel Jones-White, claim number 9991007721 \$3,665

NEW SECTION. Sec. 715. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
APPLE HEALTH AND HOMES ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$37,192,000
TOTAL APPROPRIATION	\$37,192,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the apple health and homes account created in Engrossed Substitute House Bill No. 1866 (supportive housing). If the bill is not enacted by June 30, 2022, the amount appropriated in this section shall lapse.

NEW SECTION. Sec. 716. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
WASHINGTON AUTO THEFT PREVENTION
AUTHORITY ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$3,500,000
TOTAL APPROPRIATION	\$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the Washington auto theft prevention authority account created in RCW 46.66.080.

NEW SECTION. Sec. 717. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
CAPITAL COMMUNITY ASSISTANCE ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$650,000,000
TOTAL APPROPRIATION	\$650,000,000

The appropriation in this section is subject to the following conditions and limitations: The amount in this section is provided solely for expenditure into the capital community assistance account created in section 946 of this act.

NEW SECTION. Sec. 718. A new section is added to 2021 c 334 (uncodified) to read as follows:

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**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
OPERATING SUBACCOUNT OF THE COMMUNITY
PRESERVATION AND DEVELOPMENT AUTHORITY
ACCOUNT**

General Fund—State Appropriation (FY 2022) \$2,000,000
TOTAL APPROPRIATION \$2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the operating subaccount of the community preservation and development authority account created in RCW 43.167.040.

NEW SECTION. Sec. 719. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
COMMUNITY REINVESTMENT ACCOUNT**

General Fund—State Appropriation (FY 2023) \$200,000,000
TOTAL APPROPRIATION \$200,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the community reinvestment account created in section 947 of this act.

NEW SECTION. Sec. 720. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
COUNTY CRIMINAL JUSTICE ASSISTANCE
ACCOUNT: JUVENILE CODE REVISIONS**

General Fund—State Appropriation (FY 2022) \$331,000
General Fund—State Appropriation (FY 2023) \$331,000
TOTAL APPROPRIATION \$662,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

NEW SECTION. Sec. 721. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
DRIVER RESOURCE CENTER FUND**

General Fund—State Appropriation (FY 2023) \$6,000,000
TOTAL APPROPRIATION \$6,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the driver resource center fund created in Substitute House Bill No. 2076 (transp. network companies). If the bill is not enacted by June 30, 2022, the amount appropriated in this section shall lapse.

NEW SECTION. Sec. 722. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
ENTERPRISE SERVICES ACCOUNT**

General Fund—State Appropriation (FY 2022) \$500,000
TOTAL APPROPRIATION \$500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the enterprise services account created in RCW 43.19.025 in support of the real estate services program.

NEW SECTION. Sec. 723. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
FAMILY AND MEDICAL LEAVE INSURANCE
ACCOUNT**

General Fund—State Appropriation (FY 2023) \$350,000,000
TOTAL APPROPRIATION \$350,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the family and medical leave insurance account created in RCW 50A.05.070 on June 30, 2023. The office of financial management may only expend the amount necessary to keep the family and medical leave insurance account from being in a deficit at the close of the fiscal biennium, after certification from the employment security department.

NEW SECTION. Sec. 724. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
WASHINGTON CAREER AND COLLEGE PATHWAYS
INNOVATION CHALLENGE PROGRAM ACCOUNT**

General Fund—State Appropriation (FY 2023) \$6,000,000
TOTAL APPROPRIATION \$6,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the Washington career and college pathways innovation challenge program account created in RCW 28B.120.040 to implement Second Substitute Senate Bill No. 5789 (innovation challenge program). If the bill is not enacted by June 30, 2022, the amount provided in this subsection shall lapse. General fund appropriations into the account are intended for the current and next ensuing fiscal biennium only. The student achievement council must report on the uses of the general fund moneys deposited in the account by December 1, 2022, to allow the legislature to assess the program and general fund support.

NEW SECTION. Sec. 725. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
WASHINGTON INTERNET CRIMES AGAINST
CHILDREN ACCOUNT**

General Fund—State Appropriation (FY 2022) \$1,135,000
General Fund—State Appropriation (FY 2023) \$1,135,000
TOTAL APPROPRIATION \$2,270,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the Washington internet crimes against children account created in RCW 43.101.435.

NEW SECTION. Sec. 726. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
JUDICIAL INFORMATION SYSTEMS ACCOUNT**

General Fund—State Appropriation (FY 2022) \$11,306,000
General Fund—State Appropriation (FY 2023) \$6,224,000
TOTAL APPROPRIATION \$17,530,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the judicial information systems account created in RCW 2.68.020.

NEW SECTION. Sec. 727. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
JUDICIAL STABILIZATION TRUST ACCOUNT**

General Fund—State Appropriation (FY 2022) \$2,000,000
General Fund—State Appropriation (FY 2023) \$112,750,000
TOTAL APPROPRIATION \$114,750,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the judicial stabilization account created in RCW 43.79.505.

NEW SECTION. Sec. 728. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
WASHINGTON STATE LEADERSHIP BOARD
ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$637,000
TOTAL APPROPRIATION	\$637,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the Washington state leadership board account created in Senate Bill No. 5750 (WA leadership board). If the bill is not enacted by June 30, 2022, the amounts provided in this section shall lapse.

NEW SECTION. Sec. 729. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
LIABILITY ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$217,000,000
TOTAL APPROPRIATION	\$217,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the liability account created in RCW 4.92.130 to ensure the account is not in deficit.

NEW SECTION. Sec. 730. A new section is added to 2021 c 334 (uncodified) to read as follows: **FOR THE OFFICE OF FINANCIAL MANAGEMENT—MULTIMODAL TRANSPORTATION ACCOUNT**

General Fund—State Appropriation (FY 2022)	\$2,000,000,000
TOTAL APPROPRIATION	\$2,000,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the multimodal transportation account created in RCW 47.66.070.

NEW SECTION. Sec. 731. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
SALMON RECOVERY ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$100,000,000
TOTAL APPROPRIATION	\$100,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the salmon recovery account created in RCW 77.85.170.

NEW SECTION. Sec. 732. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
STATE VEHICLE PARKING ACCOUNT**

General Fund—State Appropriation (FY 2022)	\$2,178,000
TOTAL APPROPRIATION	\$2,178,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the state vehicle parking account created in RCW 43.01.225 in support of the parking program within the department of enterprise services.

NEW SECTION. Sec. 733. A new section is added to 2021 c 334 (uncodified) to read as follows: **FOR THE OFFICE OF FINANCIAL MANAGEMENT—TRIBAL GOVERNMENT ASSISTANCE**

General Fund—State Appropriation (FY 2022)	\$401,000
TOTAL APPROPRIATION	\$401,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to distribute to tribes with police officers certified through the criminal justice training commission pursuant to RCW 43.101.157 to assist with one-time costs related to law enforcement and criminal justice related legislation enacted

between January 1, 2020, and June 30, 2021. Distributions shall be made according to LEAP document tribal allocations 1 dated February 20, 2022.

NEW SECTION. Sec. 734. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
DISASTER RESPONSE ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$13,964,000
TOTAL APPROPRIATION	\$13,964,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the disaster response account created in RCW 38.52.105.

NEW SECTION. Sec. 735. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
ELECTRIC VEHICLE INCENTIVE ACCOUNT**

General Fund—State Appropriation (FY 2023)	\$120,000,000
TOTAL APPROPRIATION	\$120,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the electric vehicle incentive account created in section 948 of this act.

NEW SECTION. Sec. 736. A new section is added to 2021 c 334 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
RECRUITMENT AND RETENTION ADJUSTMENTS**

General Fund—State Appropriation (FY 2023)	\$50,000,000
General Fund—Federal Appropriation	\$10,978,000
General Fund—Private/Local Appropriation	\$808,000
Salary and Insurance Contributions Increase	
Revolving Account—State Appropriation	\$22,554,000
TOTAL APPROPRIATION	\$84,340,000

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

(1) Funding is provided solely for implementation of classification-based salary adjustments for state employees whose jobs are difficult for the state to recruit and retain a competitive workforce. The office of financial management is directed to develop a plan to make appropriate adjustments based upon the results of the 2020 state salary survey conducted according to RCW 41.06.160, and make adjustments to the results of the study as the director determines to be well-documented by agency experience due to the SARS-CoV2 (COVID-19) pandemic, including resulting changes in the labor market. Before determining any adjustments, the director must seek input from the exclusive bargaining representatives for any potentially impacted bargaining units. The classification adjustments must uniformly take effect July 1, 2022.

(2) Adjustments are to be made across the state workforce, including both represented and non-represented employees with a goal of addressing those jobs that fall the farthest below market rates, or where the documented agency experience recruiting or retaining employees is the most severe. Adjustments will not be made to job classifications that are exclusive to higher education institutions. In making the adjustments, the director may also include increases to address issues of compression and inversion.

(3) Upon completion of the plan, the director must transmit the plan to the legislative fiscal committees and the joint committee on employment relations. This transmission must identify the job classes, by agency and number of employees, that are impacted by the plan. The transmission also must indicate the proposed increase for each impacted job class.

(4) Where the adjustments affect represented employees, expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of

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understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section.

(5) The office of financial management shall allocate the moneys appropriated in this section to individual agencies in the amounts necessary to fulfill the plan but may not exceed amounts provided in this section.

(6) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special fund salary and insurance contribution increase revolving fund in accordance with schedules provided by the office of financial management.

NEW SECTION. Sec. 737. A new section is added to 2021 c 334 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—WASHINGTON STUDENT LOAN ACCOUNT

General Fund—State Appropriation (FY 2023)	\$111,000,000
Workforce Education Investment Account—State Appropriation	\$39,000,000
TOTAL APPROPRIATION	\$150,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the Washington student loan account created in Engrossed Second Substitute House Bill No. 1736 (state student loan program). If the bill is not enacted by June 30, 2022, the amount appropriated in this section shall lapse.

NEW SECTION. Sec. 738. The following acts or parts of acts are each repealed:

- (1)2021 c 334 s 730 (uncodified);
- (2)2021 c 334 s 731 (uncodified);
- (3)2021 c 334 s 732 (uncodified);
- (4)2021 c 334 s 733 (uncodified);
- (5)2021 c 334 s 734 (uncodified);
- (6)2021 c 334 s 735 (uncodified);
- (7)2021 c 334 s 736 (uncodified);
- (8)2021 c 334 s 737 (uncodified);
- (9)2021 c 334 s 749 (uncodified); and
- (10)2021 c 334 s 752 (uncodified).

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2021 c 334 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions	(\$9,757,000)
	<u>\$12,107,000</u>
General Fund Appropriation for prosecuting attorney distributions	(\$9,284,000)
	<u>\$7,975,000</u>
General Fund Appropriation for boating safety and education distributions	(\$4,000,000)
	<u>\$6,395,000</u>
General Fund Appropriation for public utility district excise tax distributions	(\$66,759,000)
	<u>\$67,206,000</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	\$3,303,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distributions	\$140,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	(\$73,911,000)
	<u>\$77,324,000</u>
County Criminal Justice Assistance Appropriation	

	((114,428,000))
	<u>\$115,238,000</u>
Municipal Criminal Justice Assistance Appropriation	(\$45,073,000)
	<u>\$45,587,000</u>
City-County Assistance Appropriation	(\$39,939,000)
	<u>\$56,205,000</u>
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	(\$76,474,000)
	<u>\$87,317,000</u>
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation	(\$8,612,000)
	<u>\$8,690,000</u>
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians	(\$5,975,000)
	<u>\$6,036,000</u>
Liquor Revolving Account Appropriation for liquor profits distribution	\$98,876,000
General Fund Appropriation for other tax distributions	(\$80,000)
	<u>\$102,000</u>
General Fund Appropriation for ((Marijuana)) Cannabis Excise Tax distributions	(\$40,000,000)
	<u>\$20,000,000</u>
<u>Dedicated Marijuana Account Appropriation for Cannabis Excise Tax distributions pursuant to Engrossed Second Substitute Senate Bill No. 5796 (cannabis revenue)</u>	<u>\$25,243,000</u>
General Fund Appropriation for Habitat Conservation Program distributions	\$5,754,000
General Fund Appropriation for payment in lieu of taxes to counties under Department of Fish and Wildlife Program	\$4,040,000
Puget Sound Taxpayer Accountability Account Appropriation for distribution to counties in amounts not to exceed actual deposits into the account and attributable to those counties' share pursuant to RCW 43.79.520.	(\$33,460,000)
	<u>\$51,983,000</u>
Manufacturing and Warehousing Job Centers Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistributions effect of sourcing law changes pursuant to Engrossed Substitute House Bill No. 1521 (warehousing & manufacturing jobs). ((If Engrossed Substitute House Bill No. 1521 (warehousing & manufacturing jobs) is not enacted by June 30, 2021, this distribution is null and void.))	\$12,150,000
TOTAL APPROPRIATION	((652,015,000))
	<u>\$711,671,000</u>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 802. 2021 c 334 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Appropriation	(\$2,551,000)
	<u>\$2,015,000</u>
TOTAL APPROPRIATION	(\$2,551,000)
	<u>\$2,015,000</u>

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2021-2023 fiscal biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of

1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 803. 2021 c 334 s 803 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Appropriation	((\$1,700,000))
	<u>\$1,343,000</u>
TOTAL APPROPRIATION	((\$1,700,000))
	<u>\$1,343,000</u>

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2021-2023 fiscal biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 804. 2021 c 334 s 805 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS

Dedicated Marijuana Account: For transfer to the basic health plan trust account, the lesser of the amount determined pursuant to RCW 69.50.540 or this amount for fiscal year 2022, ((\$255,000,000)) \$265,000,000 and this amount for fiscal year 2023, ((\$265,000,000)) \$268,000,000 ((\$520,000,000)) \$533,000,000

Dedicated Marijuana Account: For transfer to the state general fund, the lesser of the amount determined pursuant to RCW 69.50.540 or this amount for fiscal year 2022, ((\$195,000,000)) \$202,000,000 and this amount for fiscal year 2023, \$200,000,000 ((\$395,000,000)) \$402,000,000

Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2022 \$90,000,000

Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2023 \$90,000,000

Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the tobacco arbitration payment to the tobacco settlement account, ((\$11,000,000 for fiscal year 2022 and \$8,000,000)) for fiscal year 2023 ((\$19,000,000)) \$8,000,000

State Treasurer's Service Account: For transfer to the state general fund, \$5,000,000 for fiscal year 2022 and \$5,000,000 for

fiscal year 2023 \$10,000,000

General Fund: For transfer to the fair fund under RCW 15.76.115, \$2,750,000 for fiscal year 2022 and \$2,750,000 for fiscal year 2023 \$5,500,000

Financial Services Regulation Account: For transfer to the state general fund, \$3,500,000 for fiscal year 2022 and \$3,500,000 for fiscal year 2023 \$7,000,000

Marine Resources Stewardship Trust Account: For transfer to the aquatic lands enhancement account, up to \$40,000 for fiscal year 2022 \$40,000

Water Pollution Control Revolving Administration Account: For transfer to the water pollution control revolving account, \$6,000,000 for fiscal year 2022 \$6,000,000

General Fund: For transfer to the home security fund, \$4,500,000 for fiscal year 2022 and \$4,500,000 for fiscal year 2023 \$9,000,000

((Long-Term Services and Supports Trust Account: For transfer to the general fund as repayment for start-up costs for the long term services program, the lesser of the amount determined by the treasurer for full repayment of the \$17,040,000 transferred from the general fund in the 2019-2021 biennium and \$19,618,000 transferred from the general fund in fiscal year 2022, which totals \$36,658,000 transferred from the general fund in the 2019-2021 biennium and fiscal year 2022 for start-up costs with any related interest, or this amount for fiscal year 2022, \$37,092,000 \$37,092,000))

Gambling Revolving Account: For transfer to the state general fund as repayment of the loan pursuant to chapter 127, Laws of 2020 (sports wagering/compacts), \$3,000,000 for fiscal year 2022 and the lesser of the remaining amount determined by the treasurer for full repayment of the \$6,000,000 transferred from the general fund in the 2019-2021 fiscal biennium with any related interest, or this amount for fiscal year 2023 ((\$6,500,000)) \$3,500,000 \$6,500,000

School Employees' Insurance Account: For transfer to the general fund as repayment of the remainder of the loans for start costs for the school employees benefit program, ((\$16,587,000)) \$15,615,000 for fiscal year 2022 ((\$16,587,000)) \$15,615,000

General Fund: For transfer to the manufacturing and warehousing jobs centers account \$6,750,000 for fiscal year 2022 and \$5,400,000 for fiscal year 2023 pursuant to Engrossed Substitute House Bill No. 1521 (warehousing & manufacturing jobs). ((If Engrossed Substitute House Bill No. 1521 (warehousing & manufacturing jobs) is not enacted by June 30, 2021, this transfer is null and void.)) \$12,150,000

General Fund: For transfer to the Washington housing trust fund, \$10,000,000 for fiscal year 2022 \$10,000,000

General Fund: For transfer to the forest resiliency account trust fund, \$6,000,000 for fiscal year 2022 \$6,000,000

Streamlined Sales and Use Tax Mitigation Account: For transfer to the general fund, \$3,186,000 or as much thereof that represents the balance in the account for fiscal year 2022 \$3,186,000

General Fund: For transfer to the municipal criminal justice assistance account for fiscal year 2022 \$761,000

General Fund: For transfer to the wildfire response, forest restoration, and community resilience account, solely for the implementation of chapter 298, Laws of 2021 (2SHB 1168) (long-term forest health), \$12,475,000 for fiscal year 2022 and \$74,632,000 for fiscal year 2023 \$87,107,000

General Fund: For transfer to the state drought preparedness and response account, \$4,500,000 for fiscal year 2022 and \$4,500,000 for fiscal year 2023 \$9,000,000

General Fund: For transfer to the Washington rescue plan transition account, \$1,100,000,000 for fiscal year 2023

\$1,100,000,000

**PART IX
MISCELLANEOUS**

NEW SECTION. Sec. 901. A new section is added to 2021 c 334 (uncodified) to read as follows:

COLLECTIVE BARGAINING AGREEMENTS

Subsections (2) in sections 902 through 927 and 934 through 937 of this act represent the results of the collective bargaining process from reopening the 2021-2023 contracts for the limited purpose of bargaining over compensation, and are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in Part IX of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Funding is not provided for compensation and fringe benefit provisions not presented to the legislature during the 2021 legislative session, and that came into effect prior to approval by the legislature during the 2022 legislative session.

Sec. 902. 2021 c 334 s 909 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WFSE

(1) An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in positions that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 903. 2021 c 334 s 910 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WAFWP

(1) An agreement has been reached between the governor and the Washington association of fish and wildlife professionals under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in positions that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the Washington association of fish and wildlife professionals under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees who were hired before July 1, 2022.

Sec. 904. 2021 c 334 s 911 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—PTE LOCAL 17

(1) An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in positions that do not require the position to be

backfilled.

(2) An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 905. 2021 c 334 s 912 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—SEIU HEALTHCARE 1199NW

(1) An agreement has been reached between the governor and the service employees international union healthcare 1199nw under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in positions that do not require the position to be backfilled.

(2) An agreement has been reached between the governor and the service employees international union healthcare 1199nw under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a retention bonus payable in two equal installments.

Sec. 906. 2021 c 334 s 913 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—COALITION OF UNIONS

(1) An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes 24 furlough days for employees in positions that do not require the position to be backfilled. Funding is also provided for a 2.5 percent wage increase for fiscal year 2022 and a 2.5 percent wage increase for fiscal year 2023 for the department of corrections marine vessel operators.

(2) An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 907. 2021 c 334 s 914 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—ASSOCIATION OF WASHINGTON ASSISTANT ATTORNEYS GENERAL/WFSE

(1) An agreement has been reached between the governor and the association of Washington assistant attorneys general/Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes some minor modifications but does not include wage increases. In addition, the agreement includes 24 furlough days for designated positions.

(2) An agreement has been reached between the governor and the association of Washington assistant attorneys general/Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a longevity lump sum payment.

Sec. 908. 2021 c 334 s 915 (uncodified) is amended to read

as follows:

COLLECTIVE BARGAINING AGREEMENT—WFSE ADMINISTRATIVE LAW JUDGES

(1) An agreement has been reached between the governor and the Washington federation of state employees administrative law judges under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. This is the first agreement since the grant of collective bargaining rights in the 2020 legislative session. Funding is provided to fund the agreement, which includes the implementation of the Washington general government standard progression salary schedule that includes periodic increments that begin July 1, 2022. In addition, the agreement includes 24 furlough days for designated positions.

(2) An agreement has been reached between the governor and the Washington federation of state employees administrative law judges under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 909. 2021 c 334 s 916 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—DFW SERGEANTS ASSOCIATION/TEAMSTERS 760

(1) An agreement has been reached between the governor and the department of fish and wildlife sergeants association/teamsters 760 under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. This is the first stand-alone agreement for this unit since its separation from the coalition of unions under chapter 41.80 RCW provided in the 2020 legislative session. Funding is provided to fund the agreement, which does not include wage increases but does allow the agreement to be reopened to negotiate compensation for fiscal year 2023.

(2) An agreement has been reached between the governor and the department of fish and wildlife sergeants association/teamsters 760 under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for implementing a redesigned classification and compensation structure for the fish and wildlife enforcement classes and payment of educational incentives for employees who have obtained an associate degree (2 percent base pay) or bachelor's degree (4 percent base pay).

Sec. 910. 2021 c 334 s 917 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—FISH AND WILDLIFE ENFORCEMENT OFFICERS GUILD

(1) An agreement has been reached between the governor and the fish and wildlife enforcement officers guild through an interest arbitration award under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. This is the first stand-alone agreement for this unit since its separation from the coalition of unions under chapter 41.80 RCW provided in the 2020 legislative session. Funding is provided to fund the award, which does not include wage increases but does allow the agreement to be reopened to negotiate base rate of pay for fiscal year 2023. The arbitration award also includes and funding is provided for an education incentive for employees who have obtained an associate's degree (2 percent of base pay) or bachelor's degree (4 percent of base pay), increased opportunities to work on holidays and receive holiday pay, and workers compensation top-off pay equivalent to the LEOFF II supplement. Finally, funding is provided for an increase in the clothing allowance for qualifying employees by \$100 per year per employee.

(2) An agreement has been reached between the governor and the fish and wildlife enforcement officers guild under the

provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for implementing a redesigned classification and compensation structure of the fish and wildlife enforcement classes.

Sec. 911. 2021 c 334 s 918 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WFSE HIGHER EDUCATION COMMUNITY COLLEGE COALITION

(1) An agreement has been reached between the governor and the Washington federation of state employees community college coalition under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases.

(2) An agreement has been reached between the governor and the Washington federation of state employees community college coalition under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 912. 2021 c 334 s 919 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WPEA HIGHER EDUCATION COMMUNITY COLLEGE COALITION

(1) An agreement has been reached between the governor and the Washington public employees association community college coalition under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases.

(2) An agreement has been reached between the governor and the Washington public employees association community college coalition under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 913. 2021 c 334 s 920 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

(1) An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include general wages increases but does provide the ability to request to reopen the compensation article for the purpose of bargaining base rate of pay for fiscal year 2023.

(2) An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 10 percent for fiscal year 2023.

Sec. 914. 2021 c 334 s 921 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS AND CAPTAINS ASSOCIATION

(1) An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include general wages increases but does provide the ability to request to reopen the compensation article for the purpose of bargaining base rate of pay for fiscal year 2023.

(2) An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for fiscal year 2023.

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The agreement includes and funding is provided for a general wage increase of 10 percent for fiscal year 2023.

Sec. 915. 2021 c 334 s 922 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WPEA

(1) An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes some minor modifications but does not include wage increases. In addition, the agreement includes 24 furlough days for designated positions.

(2) An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

Sec. 916. 2021 c 334 s 923 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS LOCAL 117 DEPARTMENT OF ENTERPRISE SERVICES

(1) An agreement has not been reached between the governor and the international brotherhood of teamsters local 117 pursuant to chapter 41.80 RCW for the 2021-2023 fiscal biennium. Pursuant to RCW 41.80.010(6), funding is provided for fiscal year 2022 to fund the terms of the 2019-2021 agreement and for fiscal year 2023 to fund the terms according to law.

(2) Again, an agreement has not been reached between the governor and the international brotherhood of teamsters local 117 department of enterprise services under the provisions of chapter 41.80 RCW for fiscal year 2023. Pursuant to RCW 41.80.010(6), the employer may unilaterally implement according to law. Therefore, funding is provided for a general wage increase of 3.25 percent for fiscal year 2023 and a lump sum payment for employees hired before July 1, 2022.

NEW SECTION. Sec. 917. A new section is added to 2021 c 334 (uncodified) to read as follows:

COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS LOCAL 117 DEPARTMENT OF CORRECTIONS

An agreement has been reached between the governor and the international brotherhood of teamsters local 117 department of corrections through an interest arbitration award pursuant to chapter 41.80 RCW for the 2021-2023 fiscal biennium. The interest arbitration award included and funding is provided for a general wage increase of 4 percent, targeted wage increases, a lump sum payment for all employees, and premium pay for working on McNeil Island.

Sec. 918. 2021 c 334 s 924 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—SEIU 925

(1) An agreement has been reached between the University of Washington and the service employees international union local 925 under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. The agreement includes and funding is provided for an extension of the 2019–2021 collective bargaining agreement. The agreement does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between the University of Washington and the service employees international union labor 925 under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a

general wage increase of 3 percent for fiscal year 2023, evening shift differential, night shift differential, standby pay, and weekend pay premium for specified job classifications. In addition, the agreement includes and funding is provided for recruitment and retention increases and lump sum payments for specified job classifications.

Sec. 919. 2021 c 334 s 925 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—SEIU 1199 RESEARCH/HALL HEALTH

(1) An agreement has been reached between the University of Washington and the service employees international union local 1199 research/hall health under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. The agreement includes and funding is provided for an extension of the 2019–2021 collective bargaining agreement. The agreement does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between the University of Washington and the service employees international union local 1199 research/hall health under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3 percent for fiscal year 2023 and lump sum payments for employees.

Sec. 920. 2021 c 334 s 928 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—WFSE

(1) An agreement has been reached between the University of Washington and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. The agreement includes and funding is provided for an extension of the 2019–2021 collective bargaining agreement, and an expansion of the Harborview and University of Washington Medical Center EVS custodians weekend premium. The agreement does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between the University of Washington and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3 percent for fiscal year 2023, evening shift differential, night shift differential, standby pay, and weekend pay premium, for specified job classifications.

Sec. 921. 2021 c 334 s 929 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WFSE

(1) An agreement has been reached between the Washington State University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include changes to compensation or benefits. In addition, the agreement does not include mandatory employee furloughs.

(2) An agreement has been reached between the Washington State University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023, and any lump sum payment agreed upon in the agreement between the governor and the Washington federation of state employees for general government employees.

Sec. 922. 2021 c 334 s 930 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
WASHINGTON STATE UNIVERSITY—WSU POLICE
GUILD BARGAINING UNIT 4**

(1) An agreement has been reached between the Washington State University and the WSU police guild bargaining unit 4 under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include changes to compensation or benefits. In addition, the agreement does not include mandatory employee furloughs.

(2) An agreement has been reached between the Washington State University and the WSU police guild bargaining unit 4 under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes and funding is provided for a general wage increase of 3.3 percent for fiscal year 2023.

Sec. 923. 2021 c 334 s 932 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
CENTRAL WASHINGTON UNIVERSITY—WFSE**

(1) An agreement has been reached between Central Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between the Central Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes any general wage increase and lump sum payment agreed upon in the agreement between the governor and the Washington federation of state employees for general government employees. Therefore, the agreement includes and funding is provided for a general wage increase of 3.25 percent for fiscal year 2023, and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 924. 2021 c 334 s 933 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
CENTRAL WASHINGTON UNIVERSITY—PSE**

(1) An agreement has been reached between Central Washington University and the public school employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between the Central Washington University and the public school employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes any general wage increase and lump sum payment agreed upon in the agreement between the governor and the Washington federation of state employees. Therefore, funding is provided for a general wage increase of 3.25 percent for fiscal year 2023, and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 925. 2021 c 334 s 934 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—THE
EVERGREEN STATE COLLEGE—WFSE**

(1) An agreement has been reached between The Evergreen State College and the Washington federation of state employees supervisory and nonsupervisory units under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between The Evergreen State College and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes any general wage increase agreed upon in the agreement between the governor and the Washington federation of state employees for general government employees. Therefore, funding is provided for a general wage increase of 3.25 percent for fiscal year 2023.

Sec. 926. 2021 c 334 s 935 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
WESTERN WASHINGTON UNIVERSITY—WFSE**

(1) An agreement has been reached between Western Washington University and the Washington federation of state employees bargaining units A, B, and E under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between Western Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes any general wage increase and lump sum payment agreed upon in the agreement between the governor and the Washington federation of state employees for general government employees. Therefore, funding is provided for a general wage increase of 3.25 percent for fiscal year 2023, and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 927. 2021 c 334 s 936 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
WESTERN WASHINGTON UNIVERSITY—PSE**

(1) An agreement has not been reached between Western Washington University and the public school employees bargaining units D and PT under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Pursuant to RCW 41.80.010(6), funding is provided for fiscal year 2022 to fund the terms of the 2019-2021 agreement and for fiscal year 2023 to fund the terms according to law.

(2) An agreement has been reached between Western Washington University and the public school employees bargaining units D and PT under the provisions of chapter 41.80 RCW for fiscal year 2023. The agreement includes any general wage increase and lump sum payment agreed upon in the agreement between the governor and the Washington federation of state employees for general government employees. Therefore, funding is provided for a general wage increase of 3.25 percent for fiscal year 2023, and a lump sum payment for employees who were employed continuously starting on or before July 1, 2021, through June 30, 2022.

Sec. 928. 2021 c 334 s 937 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
EASTERN WASHINGTON UNIVERSITY—WFSE**

(1) An agreement has been reached between Eastern Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either a general wage increase or mandatory employee furloughs.

(2) An agreement has been reached between Eastern Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2023. Funding is provided to fund a general wage increase of 3.25 percent effective July 1, 2022.

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NEW SECTION. Sec. 929. A new section is added to 2021 c 334 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
EASTERN WASHINGTON UNIVERSITY—PSE**

An agreement has been reached between Eastern Washington University and the public school employees under the provisions of chapter 41.80 RCW for the fiscal year 2023. Funding is provided to fund a general wage increase of 3.25 percent effective July 1, 2022.

Sec. 930. 2021 c 334 s 939 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
HIGHLINE COMMUNITY COLLEGE—WPEA**

(1) An agreement has been reached between Highline Community College and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either a general wage increase or mandatory employee furloughs.

(2) For fiscal year 2023 employees covered by Washington public employees association at the Highline Community College are included in the coalition agreement in section 912 of this act.

NEW SECTION. Sec. 931. A new section is added to 2021 c 334 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT—
YAKIMA VALLEY COLLEGE—WPEA**

An agreement has been reached between Yakima Valley College and the Washington public employees' association under the provisions of chapter 41.80 RCW for the fiscal year 2023. Funding is provided to fund a general wage increase of 3.25 percent and other terms effective July 1, 2022.

Sec. 932. 2021 c 334 s 940 (uncodified) is amended to read as follows:

**COMPENSATION—REPRESENTED EMPLOYEES—
HEALTH CARE COALITION—INSURANCE BENEFITS**

An agreement was reached for the 2021-2023 biennium between the governor and the health care coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2021-2023 collective bargaining agreement, which maintains the provisions of the prior agreement, other than provision of gift cards through the wellness program, and are subject to the following conditions and limitations:

The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate shall not exceed ((\$1,091)) \$1,130 per eligible employee.

The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment if directed by the legislature.

Sec. 933. 2021 c 334 s 941 (uncodified) is amended to read as follows:

**COMPENSATION—REPRESENTED EMPLOYEES
OUTSIDE HEALTH CARE COALITION—INSURANCE**

BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the coalition for health benefits, and are subject to the following conditions and limitations: The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate may not exceed ((\$1,091)) \$1,130 per eligible employee.

Sec. 934. 2021 c 334 s 942 (uncodified) is amended to read as follows:

**COMPENSATION—SCHOOL EMPLOYEES—
INSURANCE BENEFITS**

An agreement was reached for the 2021-2023 biennium between the governor and the school employee coalition under the provisions of chapters 41.56 and 41.59 RCW. Appropriations in this act for allocations to school districts are sufficient to implement the provisions of the 2021-2023 collective bargaining agreement, which maintains the provisions of the prior agreement, and are subject to the following conditions and limitations:

(1) The monthly employer funding rate for insurance benefit premiums, school employees' benefits board administration, retiree remittance, and the uniform medical plan, shall not exceed \$968 per eligible employee in the 2021-22 school year. For the 2022-23 school year, the monthly employer funding rate shall not exceed ((\$1,032)) \$1,026 per eligible employee. Employers will contribute one hundred percent of the retiree remittance defined in ((section 943 of this act)) section 935 of this act, which is included as part of the above monthly employer funding rate. These rates are sufficient to cover the cost to provide virtual access to behavioral health resources and interventions and case management.

(2) For the purposes of distributing insurance benefits, certificated staff units as determined in section 504 of this act will be multiplied by 1.02 and classified staff units as determined in section 504 of this act will be multiplied by 1.43.

(3) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the school employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.740. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment if directed by the legislature.

(4) The health care authority shall deposit any moneys received on behalf of the school employees' medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the school employees' and retirees' insurance account to be used for insurance benefits. Such receipts may not be used for administrative expenditures.

Sec. 935. 2021 c 334 s 943 (uncodified) is amended to read as follows:

COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(1) The employer monthly funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate shall not exceed ((\$1,091)) \$1,130 per eligible employee. These rates assume the use of plan surplus from the 2019-2021 fiscal biennium in fiscal year 2022.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2022 and 2023, the subsidy shall be up to \$183 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(3) School districts and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$72.08 per month beginning September 1, 2021, and \$80.04 beginning September 1, 2022;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$72.08 each month beginning September 1, 2021, and \$80.04 beginning September 1, 2022, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection do not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

NEW SECTION. Sec. 936. A new section is added to 2021 c 334 (uncodified) to read as follows:

INITIATIVE 732 COST-OF-LIVING INCREASES

Part 6 of this act includes funding for a cost of living adjustment for state employees pursuant to Initiative Measure No. 732 for a total increase of 4.743 percent, effective July 1, 2022.

NEW SECTION. Sec. 937. A new section is added to 2021 c 334 (uncodified) to read as follows:

GENERAL WAGE INCREASES

(1) Appropriations for state agency employee compensation in this act are sufficient to provide general wage increases to state agency employees and employees of institutions of higher education, who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475.

(2) Funding is provided for a 3.25 percent salary increase effective July 1, 2022, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a 3.25 percent salary increase effective July 1, 2022, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries of elected officials.

Sec. 938. 2021 c 334 s 945 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—WFSE LANGUAGE ACCESS PROVIDERS

(1) An agreement has been reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided for an in-person interpreting rate increase of \$0.12 per hour for each of fiscal year 2022 and fiscal year 2023. In addition, other terms of the agreement that are funded include a continuation of the social service mileage premium.

(2) An agreement has been reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for an hourly rate increase of \$1.04 for fiscal year 2023.

Sec. 939. 2021 c 334 s 946 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—SEIU LOCAL 775 HOME CARE WORKERS

(1) An agreement has been reached between the governor and the service employees international union local 775 through an interest arbitration award under the provisions of chapter 74.39A RCW and 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided for the arbitration award that includes increases to wages and benefits and certain improvements in the second year of the agreement. Wages are increased approximately 3 percent over the biennium. Health care contributions are increased 5 percent each year of the agreement. Beginning July 1, 2022, individual providers will receive credit on the wage scale for verifiable hours worked for a related home care agency and time and one-half pay for hours worked on two holidays (Independence Day and New Year's Eve).

(2) An agreement has been reached between the governor and the service employees international union local 775 under the provisions of chapter 74.39A RCW and chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for an increase to the base rate for fiscal year 2023. This approval of funding applies only to those compensation and fringe benefit terms with economic terms explicitly set forth in the contract submitted to the legislature for approval. To the extent that future compensation provisions are negotiated through a memorandum of understanding, due to changes in federal funding formula or other reasons, those additional provisions may not take effect until subsequently submitted to, and approved by, the legislature.

Sec. 940. 2021 c 334 s 947 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—SEIU LOCAL 925 CHILDCARE WORKERS

(1) An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided for an increase in the hourly rate of care provided by family, friends, and neighbor providers (FFNs) in fiscal year 2023 from \$2.65 to \$3.00. The agreement maintains the current subsidy rates for licensed providers for fiscal year 2022 and includes an agreement to bargain over possible adjustments to rates for fiscal year 2023. In addition, the agreement includes and funding is provided to increase the rate paid to providers who reach level 3.5 of the state's early achievers quality rating system by 2 percent, bringing the rate to 15 percent above the base subsidy rate. Lastly, the agreement includes and

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funding is provided to increase the nonstandard hour care rate from \$80.00 to \$90.00 per child per month.

(2) An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for a cost of care rate enhancement for fiscal year 2023.

Sec. 941. 2021 c 334 s 948 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—ADULT FAMILY HOME COUNCIL

(1) An agreement has been reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided for a 3 percent increase to the wages and administrative component of the base daily rate adult family home providers receive for CARE classifications A through D beginning July 1, 2021, and a 3 percent increase in E classifications beginning July 1, 2022. The agreement also includes and funds are provided for a one-time, 3 percent increase to the health care and mandatory training components of the rates beginning July 1, 2021.

(2) An agreement has been reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for fiscal year 2023. The agreement includes and funding is provided for an increase to the base rate and increase in the training contribution for fiscal year 2023.

NEW SECTION. Sec. 942. A new section is added to 2021 c 334 (uncodified) to read as follows:

COMPENSATION—PENSION CONTRIBUTIONS

Appropriations to state agencies include funding for an increase in pension contribution rates for several state pension systems as provided in this section.

(1) An increase of 0.14 percent is funded for state employer contributions to the public employees' retirement system, the public safety employees' retirement systems, and the school employees' retirement system. An increase of 0.27 percent for employer contributions to the teachers' retirement system is funded. These increases are provided for the purpose of a one-time, ongoing pension increase for retirees in the public employees' retirement system plan 1 and teachers' retirement system plan 1, as provided in Substitute Senate Bill No. 5676 (providing a benefit increase to certain retirees of the public employees' retirement system plan 1 and the teachers' retirement system plan 1). If the bill is not enacted by June 30, 2022, this subsection shall lapse.

(2) An increase of 0.10 percent is funded for state employer contributions to the public safety employees' retirement system. These increases are provided for the cost to provide an enhanced disability benefit to members of this system who experience a qualifying catastrophic disability on the job, as provided in House Bill No. 1669 (PSERS disability benefits). If the bill is not enacted by June 30, 2022, this subsection shall lapse.

NEW SECTION. Sec. 943. A new section is added to 2021 c 334 (uncodified) to read as follows:

The Washington state missing and murdered indigenous women and people task force is established.

(1) The task force is composed of members as provided in this subsection.

(a) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(b) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(c) The governor's office of Indian affairs shall appoint five

representatives from federally recognized Indian tribes in Washington state.

(d) The president of the senate and the speaker of the house of representatives jointly shall appoint the following:

(i) One member representing the Seattle Indian health board;

(ii) One member representing the NATIVE project;

(iii) One member representing Northwest Portland area Indian health board;

(iv) One member representing the American Indian health commission;

(v) Two indigenous women or family members of indigenous women that have experienced gender-based violence;

(vi) One member representing the governor's office of Indian affairs;

(vii) The chief of the Washington state patrol or his or her representative;

(viii) One member representing the Washington state office of the attorney general;

(ix) One member representing the Washington association of sheriffs and police chiefs;

(x) One member representing the Washington state association of counties;

(xi) One member representing the association of Washington cities;

(xii) One member representing the Washington association of prosecuting attorneys; and

(xiii) One representative of the Washington association of criminal defense lawyers.

(e) Where feasible, the task force may invite and consult with:

(i) An agent representing the federal bureau of investigation;

(ii) An agent representing the office of the United States attorneys;

(iii) Federally recognized tribes located in a state adjacent to Washington state; and

(iv) Any experts or professionals involved and having expertise in the topic of missing and murdered indigenous women and people.

(2) The legislative members shall convene the initial meeting of the task force no later than the end of 2021 and thereafter convene:

(a) A minimum of two subsequent meetings annually. The membership shall select the task force's cochaurs, which must include one legislator and one nonlegislative member; and

(b) One summit annually with the state agencies involved with the task force under subsection (1) of this section, federally recognized Indian tribes in Washington state, federally recognized tribes located in a state adjacent to Washington state, and urban Indian organizations.

(3) The task force shall review the laws and policies relating to missing and murdered American Indian and Alaska Native people. The task force shall review current policies and develop recommendations for the purpose of:

(a) Assessing systemic causes behind gender-based violence including patterns and underlying historical, social and economic, institutional, and cultural factors which may contribute to disproportionately high levels of gender-based violence that occur against American Indian and Alaska Native people and ways to improve cross-border coordination between law enforcement and federally recognized tribes that share a state border with Washington state;

(b) Assessing data tracking and reporting practices relating to gender-based violence against American Indian and Alaska Native people in Washington state;

(c) Making recommendations and best practices for improving:

(i) The collection and reporting of data by tribal, local, and state

law enforcement agencies to more effectively understand and address issues of gender-based violence facing American Indian and Alaska Native people; and

(ii) Jurisdictional and data sharing issues on tribal reservation land and urban areas that impact gender-based violence against American Indian and Alaska Native people;

(d) Reviewing prosecutorial trends and practices relating to crimes of gender-based violence against American Indian and Alaska Native people in Washington state;

(e) Identifying barriers to providing more state resources in tracking gender-based violence against American Indian and Alaska Native people and reducing the incidences of gender-based violence;

(f) Assessing and identifying state resources to support programs and services for survivors, families of survivors, and tribal and urban Indian service providers working with American Indian and Alaska Native people that have experienced gender-based violence; and

(g) Identifying and making recommendations for increasing state resources for trainings on culturally attuned best practices for working with American Indian and Alaska Native communities for tribal, local, and state law enforcement personnel in Washington state.

(4) The task force, with the assistance of the Washington state office of the attorney general, must consult with federally recognized tribes in Washington state and in states bordering Washington state, and engage with urban Indian organizations to submit a status report including any initial findings, recommendations, and progress updates to the governor and the appropriate committees of the legislature by August 1, 2022, and a final report by June 1, 2023.

(5)(a) The office of the attorney general administers and provides staff support to the task force, organizes the summit, and oversees the development of the two task force reports. The office of the attorney general may contract for the summit.

(b) The Washington state office of the attorney general may, when deemed necessary by the task force, retain consultants to provide data analysis, research, recommendations, and other services to the task force for the purposes provided in subsection (3) of this section.

(c) The Washington state office of the attorney general may share and exchange information received or created on behalf of the task force with other states, federally recognized Indian tribes, urban Indian organizations, and other national groups working on missing and murdered indigenous women and people issues.

(6) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(7) To ensure that the task force has diverse and inclusive representation of those affected by its work, task force members whose participation in the task force may be hampered by financial hardship may apply for a stipend in an amount not to exceed \$100 for each day during which the member attends an official meeting of the task force or performs statutorily prescribed duties approved by the office of the attorney general. A person shall not receive compensation for a day of service under this section if the person:

(a) Occupies a position, normally regarded as full-time in nature, in any agency of the federal government, Washington state government, or Washington state local government; and

(b) Receives any compensation from such government for working that day. The office of the attorney general, by staffing

the task force, is authorized to assess eligibility for the stipend as limited by available financial resources.

Sec. 944. 2021 c 334 s 1002 (uncodified) is amended to read as follows:

(1) The Washington state criminal sentencing task force is established.

(2) The task force is composed of members as provided in this subsection.

(a) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(b) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(c) The president of the senate and the speaker of the house of representatives jointly shall appoint members representing the following:

(i) The office of the governor;

(ii) Caseload forecast council;

(iii) Department of corrections;

(iv) Sentencing guidelines commission;

(v) Statewide family council administered by the department of corrections;

(vi) Statewide reentry council;

(vii) Superior court judges' association;

(viii) Washington association of criminal defense attorneys or the Washington defender association;

(ix) Washington association of prosecuting attorneys;

(x) Washington association of sheriffs and police chiefs;

(xi) Washington state association of counties;

(xii) Washington state minority and justice commission;

(xiii) A labor organization representing active law enforcement officers in Washington state;

(xiv) Two different community organizations representing the interests of incarcerated persons; and

(xv) Two different community organizations or other entities representing the interests of crime victims.

(3) The legislative membership shall convene the initial meeting of the task force no later than September 1, 2019. The membership shall select the task force's cochairs, which must include one legislator and one nonlegislative member.

(4) The task force shall review state sentencing laws, including a consideration of the report of the sentencing guidelines commission required by section 129, chapter 299, Laws of 2018. The task force shall develop recommendations for the purpose of:

(a) Reducing sentencing implementation complexities and errors;

(b) Improving the effectiveness of the sentencing system; and

(c) Promoting and improving public safety.

(5) The task force shall submit an initial report, including findings and recommendations, to the governor and the appropriate committees of the legislature by December 31, 2019. The task force shall submit a final report by December 31, ((2020)) 2022.

(6)(a) The William D. Ruckelshaus center shall administer and provide staff support and facilitation services to the task force. The center may, when deemed necessary by the task force, contract with one or more appropriate consultants to provide data analysis, research, and other services to the task force for the purposes provided in subsection (4) of this section.

(b) The caseload forecast council shall provide information, data analysis, and other necessary assistance upon the request of the task force.

(7) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on

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behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(8) This section expires June 30, ((2022)) 2023.

NEW SECTION. Sec. 945. A new section is added to 2021 c 334 (uncodified) to read as follows:

(1) The joint legislative task force on best practices for broadband deployment is created.

(2) The task force membership is composed of:

(a) One member from each of the two largest caucuses of the senate, appointed by the president of the senate;

(b) One member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(c) The director of the department of commerce or the director's designee;

(d) The director of the department of transportation or the director's designee; and

(e) The secretary of the utilities and transportation commission or the secretary's designee; and

(f) Additional members to be appointed by the president of the senate and the speaker of the house of representatives, as follows:

(i) A representative from the association of Washington cities;

(ii) A representative from the Washington state association of counties;

(iii) A representative from a telecommunications infrastructure provider; and

(iv) A representative from an organization providing rural telecommunications services.

(3) The task force must conduct the following activities:

(a) Review existing state and local permitting processes for broadband infrastructure in Washington state;

(b) Review relevant best practices in other states for the deployment of broadband and their potential application in Washington state;

(c) Examine any state or federal laws that limit the deployment of broadband and develop recommendations for modifications; and

(d) By December 1, 2022, submit a report of the task force's findings and recommendations to the appropriate committees of the legislature.

(4) The task force must choose cochair from among its legislative membership. The legislative members must convene the initial meeting of the task force. All meetings of the task force must be scheduled and conducted in accordance with the requirements of both the senate and the house of representatives.

(5) Staff support for the task force is provided by the facilitator contracted by the department of commerce.

(6) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(7) Except for the costs of the contracted facilitator, the expenses of the task force must be paid jointly by the senate and the house of representatives, and task force expenditures and meetings are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

NEW SECTION. Sec. 946. A new section is added to chapter 43.79 RCW to read as follows:

The capital community assistance account is created in the state treasury. Revenues to the account shall consist of appropriations

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and transfers by the legislature and all other moneys directed for deposit into the account. Moneys in the account may be spent only after appropriation. Moneys in the account may be used for capital costs to provide community support services, and for infrastructure and other capital expenditures to support the well-being of communities.

NEW SECTION. Sec. 947. A new section is added to chapter 43.79 RCW to read as follows:

(1) The community reinvestment account is created in the state treasury. Revenues to the account shall consist of appropriations and transfers by the legislature and all other moneys directed for deposit into the account. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account may be used by the department of commerce for:

(a) Economic development, which includes addressing wealth disparities to promote asset building such as home ownership and expanding access to financial resources including, but not limited to, grants and loans for small businesses and entrepreneurs, financial literacy training, and other small business training and support activities;

(b) Civil and criminal legal assistance to provide postconviction relief and case assistance, including the expungement of criminal records and vacation of criminal convictions;

(c) Community-based violence intervention and prevention services, which may include after-school programs focused on providing education and mentorship to youths; and

(d) Reentry services to facilitate successful transitions for persons formerly incarcerated in an adult correctional facility or juvenile residential facility in Washington.

(3) The distribution of the grants under this section must be done in collaboration with the governor's office of Indian affairs and "by and for community organizations" as defined by the department of commerce and the office of equity.

NEW SECTION. Sec. 948. A new section is added to chapter 43.330 RCW to read as follows:

The electric vehicle incentive account is created in the state treasury. Revenues to the account shall consist of appropriations and transfers by the legislature and all other moneys directed for deposit into the account. Moneys in the account may only be spent after appropriation. Expenditures from the account may be used for programs and incentives that promote the purchase or conversion to alternative fuel vehicles to further state climate goals under RCW 70A.45.020 and environmental justice goals under 70A.02 RCW, including but not limited to:

(1) Income-qualified grant programs to retire vehicles and replace them with alternative fuel vehicles;

(2) Programs to provide grants for the installation of electric vehicle infrastructure to support electric vehicle adoption; and

(3) Programs to conduct research and public outreach regarding adoption of alternative fuel vehicles.

Sec. 949. RCW 28B.92.205 and 2019 c 406 s 20 are each amended to read as follows:

In addition to other eligibility requirements outlined in this chapter, students who demonstrate financial need are eligible to receive the Washington college grant. Financial need is as follows:

(1) Until academic year 2020-21, students with family incomes between zero and fifty percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. Grants for students with incomes between fifty-one and seventy percent of the state median family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college

grant amount:

(a) Seventy percent for students with family incomes between fifty-one and fifty-five percent of the state median family income;

(b) Sixty-five percent for students with family incomes between fifty-six and sixty percent of the state median family income;

(c) Sixty percent for students with family incomes between sixty-one and sixty-five percent of the state median family income; and

(d) Fifty percent for students with family incomes between sixty-six and seventy percent of the state median family income.

(2) Beginning with academic year 2020-21, except during the 2022-23 academic year, students with family incomes between zero and fifty-five percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant as defined in RCW 28B.92.030. During the 2022-23 academic year, students with family incomes between zero and 60 percent of the state median family income, adjusted for family size, shall receive the maximum Washington college grant. Grants for students with incomes between fifty-six and one hundred percent of the state median family income, adjusted for family size, shall be prorated at the following percentages of the maximum Washington college grant amount:

(a) Seventy percent for students with family incomes between fifty-six and sixty percent of the state median family income, except during the 2022-23 academic year;

(b) Sixty percent for students with family incomes between sixty-one and sixty-five percent of the state median family income;

(c) Fifty percent for students with family incomes between sixty-six and seventy percent of the state median family income;

(d) Twenty-four and one-half percent for students with family incomes between seventy-one and seventy-five percent of the state median family income; and

(e) Ten percent for students with family incomes between seventy-six and one hundred percent of the state median family income.

Sec. 950. RCW 41.60.050 and 2021 c 334 s 967 are each amended to read as follows:

The legislature shall appropriate from the personnel service fund for the payment of administrative costs of the productivity board. However, during the 2015-2017, 2017-2019, and 2019-2021((, and 2021-2023)) fiscal biennia, and during fiscal year 2022, the operations of the productivity board shall be suspended.

Sec. 951. RCW 41.80.010 and 2021 c 334 s 968 are each amended to read as follows:

(1) For the purpose of negotiating collective bargaining agreements under this chapter, the employer shall be represented by the governor or governor's designee, except as provided for institutions of higher education in subsection (4) of this section.

(2)(a)(i) Except as otherwise provided, if an exclusive bargaining representative represents more than one bargaining unit, the exclusive bargaining representative shall negotiate with each employer representative as designated in subsection (1) of this section one master collective bargaining agreement on behalf of all the employees in bargaining units that the exclusive bargaining representative represents.

(ii) For those exclusive bargaining representatives who represent fewer than a total of five hundred employees each, negotiation shall be by a coalition of all those exclusive bargaining representatives. The coalition shall bargain for a master collective bargaining agreement covering all of the employees represented by the coalition. The governor's designee and the exclusive bargaining representative or representatives are authorized to enter into supplemental bargaining of agency-specific issues for inclusion in or as an addendum to the master

collective bargaining agreement, subject to the parties' agreement regarding the issues and procedures for supplemental bargaining. Exclusive bargaining representatives that represent employees covered under chapter 41.06 RCW and exclusive bargaining representatives that represent employees exempt under chapter 41.06 RCW shall constitute separate coalitions and must negotiate separate master collective bargaining agreements. This subsection does not prohibit cooperation and coordination of bargaining between two or more exclusive bargaining representatives.

(b) This subsection does not apply to exclusive bargaining representatives who represent employees of institutions of higher education, except when the institution of higher education has elected to exercise its option under subsection (4) of this section to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

(c) If five hundred or more employees of an independent state elected official listed in RCW 43.01.010 are organized in a bargaining unit or bargaining units under RCW 41.80.070, the official shall be consulted by the governor or the governor's designee before any agreement is reached under (a) of this subsection concerning supplemental bargaining of agency specific issues affecting the employees in such bargaining unit.

(d) For assistant attorneys general, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement.

(3) The governor shall submit a request for funds necessary to implement the compensation and fringe benefit provisions in the master collective bargaining agreement or for legislation necessary to implement the agreement. Requests for funds necessary to implement the provisions of bargaining agreements shall not be submitted to the legislature by the governor unless such requests:

(a) Have been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the requests are to be considered; and

(b) Have been certified by the director of the office of financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the request for funds as a whole. The legislature shall not consider a request for funds to implement a collective bargaining agreement unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement or the exclusive bargaining representative may seek to implement the procedures provided for in RCW 41.80.090.

(4)(a)(i) For the purpose of negotiating agreements for institutions of higher education, the employer shall be the respective governing board of each of the universities, colleges, or community colleges or a designee chosen by the board to negotiate on its behalf.

(ii) A governing board of a university or college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section, except that:

(A) The governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of a university or college that the representative represents; or

(B) If the parties mutually agree, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of more than one university or college that the representative represents.

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(iii) A governing board of a community college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

(b) Prior to entering into negotiations under this chapter, the institutions of higher education or their designees shall consult with the director of the office of financial management regarding financial and budgetary issues that are likely to arise in the impending negotiations.

(c)(i) In the case of bargaining agreements reached between institutions of higher education other than the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of the bargaining agreements, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in (c)(iii) of this subsection.

(ii) In the case of bargaining agreements reached between the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of a bargaining agreement, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in this subsection (4)(c)(ii) and as provided in (c)(iii) of this subsection.

(A) If appropriations of less than ten thousand dollars are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered.

(B) If appropriations of ten thousand dollars or more are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request:

(I) Has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered; and

(II) Has been certified by the director of the office of financial management as being feasible financially for the state.

(C) If the director of the office of financial management does not certify a request under (c)(ii)(B) of this subsection as being feasible financially for the state, the parties shall enter into collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of those requested funds. The legislature may act upon the compensation and fringe benefit provisions of the modified collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.

(iii) In the case of a bargaining unit of employees of institutions of higher education in which the exclusive bargaining representative is certified during or after the conclusion of a legislative session, the legislature may act upon the compensation and fringe benefit provisions of the unit's initial collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.

(5) If, after the compensation and fringe benefit provisions of an agreement are approved by the legislature, a significant

revenue shortfall occurs resulting in reduced appropriations, as declared by proclamation of the governor or by resolution of the legislature, both parties shall immediately enter into collective bargaining for a mutually agreed upon modification of the agreement.

(6) After the expiration date of a collective bargaining agreement negotiated under this chapter, all of the terms and conditions specified in the collective bargaining agreement remain in effect until the effective date of a subsequently negotiated agreement, not to exceed one year from the expiration date stated in the agreement. Thereafter, the employer may unilaterally implement according to law.

(7)(a) For the 2019-2021 fiscal biennium, the legislature may approve funding for a collective bargaining agreement negotiated by a higher education institution and the Washington federation of state employees and ratified by the exclusive bargaining representative before final legislative action on the omnibus appropriations act by the sitting legislature.

(b) Subsection (3)(a) and (b) of this section do not apply to requests for funding made pursuant to this subsection.

(8)(a) For the 2021-2023 fiscal biennium, the legislature may approve funding for a collective bargaining agreement negotiated by the governor or governor's designee and the Washington public employees association community college coalition and the general government agencies and ratified by the exclusive bargaining representative before final legislative action on the omnibus appropriations act by the sitting legislature.

(b) For the 2021-2023 fiscal biennium, the legislature may approve funding for a collective bargaining agreement negotiated between Highline Community College and the Washington public employees association and ratified by the exclusive bargaining representative before final legislative action on the omnibus appropriations act by the sitting legislature.

(c) For the 2021-2023 fiscal biennium, the legislature may approve funding for collective bargaining agreements negotiated between Eastern Washington University and bargaining units of the Washington federation of state employees and the public school employees association, and between Yakima Valley College and the Washington public employees association, and ratified by the exclusive bargaining representatives before final legislative action on the omnibus appropriations act by the sitting legislature.

(d) Subsection (3)(a) and (b) of this section does not apply to requests for funding made pursuant to this subsection.

Sec. 952. RCW 43.31.605 and 2021 c 115 s 5 are each amended to read as follows:

(1)(a) Subject to the availability of funds for this purpose, the landlord mitigation program is created and administered by the department. The department shall have such rule-making authority as the department deems necessary to administer the program.

(b) The following types of claims related to landlord mitigation for renting private market rental units to low-income tenants using a housing subsidy program are eligible for reimbursement from the landlord mitigation program account:

(i) Up to one thousand dollars for improvements identified in RCW 59.18.255(1)(a). In order to be eligible for reimbursement under this subsection (1)(b)(i), the landlord must pay for the first five hundred dollars for improvements, and rent to the tenant whose housing subsidy program was conditioned on the real property passing inspection. Reimbursement under this subsection (1)(b)(i) may also include up to fourteen days of lost rental income from the date of offer of housing to the applicant whose housing subsidy program was conditioned on the real property passing inspection until move in by that applicant;

(ii) Reimbursement for damages as reflected in a judgment obtained against the tenant through either an unlawful detainer proceeding, or through a civil action in a court of competent jurisdiction after a hearing;

(iii) Reimbursement for damages established pursuant to subsection (2) of this section; and

(iv) Reimbursement for unpaid rent and unpaid utilities, provided that the landlord can evidence it to the department's satisfaction.

(c) Claims related to landlord mitigation for an unpaid judgment for rent, unpaid judgments resulting from the tenant's failure to comply with an installment payment agreement identified in RCW 59.18.610, late fees, attorneys' fees, and costs after a court order pursuant to RCW 59.18.410(3), including any unpaid portion of the judgment after the tenant defaults on the payment plan pursuant to RCW 59.18.410(3)(c), are eligible for reimbursement from the landlord mitigation program account and are exempt from any postjudgment interest required under RCW 4.56.110. Any claim for reimbursement made pursuant to RCW 59.18.410(3)(e)(ii) must be accompanied by a court order staying the writ of restitution pursuant to RCW 59.18.410(3). Any claim for reimbursement under this subsection (1)(c) is not an entitlement.

(i) The department shall provide for a form on its website for tenants and landlords to apply for reimbursement funds for the landlord pursuant to this subsection (1)(c).

(ii) The form must include: (A) Space for the landlord and tenant to provide names, mailing addresses, phone numbers, date of birth for the tenant, and any other identifying information necessary for the department to process payment; (B) the landlord's statewide vendor identification number and how to obtain one; (C) name and address to whom payment must be made; (D) the amount of the judgment with instructions to include any other supporting documentation the department may need to process payment; (E) instructions for how the tenant is to reimburse the department under (c)(iii) of this subsection; (F) a description of the consequences if the tenant does not reimburse the department as provided in this subsection (1)(c); (G) a signature line for the landlord and tenant to confirm that they have read and understood the contents of the form and program; and (H) any other information necessary for the operation of the program. If the tenant has not signed the form after the landlord has made good faith efforts to obtain the tenant's signature, the landlord may solely submit the form but must attest to the amount of money owed and sign the form under penalty of perjury.

(iii) When a landlord has been reimbursed pursuant to this subsection (1)(c), the tenant for whom payment was made shall reimburse the department by depositing the amount disbursed from the landlord mitigation program account into the court registry of the superior court in which the judgment was entered. The tenant or other interested party may seek an ex parte order of the court under the unlawful detainer action to order such funds to be disbursed by the court. Upon entry of the order, the court clerk shall disburse the funds and include a case number with any payment issued to the department. If directed by the court, a clerk shall issue any payments made by a tenant to the department without further court order.

(iv) The department may deny an application made by a tenant who has failed to reimburse the department for prior payments issued pursuant to this subsection (1)(c).

(v) With any disbursement from the account to the landlord, the department shall notify the tenant at the address provided within the application that a disbursement has been made to the landlord on the tenant's behalf and that failure to reimburse the account for the payment through the court registry may result in a denial of a future application to the account pursuant to this subsection

(1)(c). The department may include any other additional information about how to reimburse the account it deems necessary to fully inform the tenant.

(vi) The department's duties with respect to obtaining reimbursement from the tenant to the account are limited to those specified within this subsection (1)(c).

(vii) If at any time funds do not exist in the landlord mitigation program account to reimburse claims submitted under this subsection (1)(c), the department must create and maintain a waitlist and distribute funds in the order the claims are received pursuant to subsection (6) of this section. Payment of any claims on the waitlist shall be made only from the landlord mitigation program account. The department shall not be civilly or criminally liable and may not have any penalty or cause of action of any nature arise against it regarding the provision or lack of provision of funds for reimbursement.

(d)(i) Claims related to landlord mitigation for:

(A) Up to \$15,000 in unpaid rent that accrued between March 1, 2020, and six months following the expiration of the eviction moratorium and the tenant being low-income, limited resourced or experiencing hardship, voluntarily vacated or abandoned the tenancy; or

(B) Up to \$15,000 in remaining unpaid rent if a tenant defaults on a repayment plan entered into under RCW 59.18.630 are eligible for reimbursement from the landlord mitigation program account subject to the program requirements under this section, provided the tenancy has not been terminated at the time of reimbursement.

(ii) A landlord is ineligible for reimbursement under this subsection (1)(d) where the tenant vacated the tenancy because of an unlawful detainer action under RCW 59.12.030(3).

(iii) A landlord in receipt of reimbursement from the program pursuant to this subsection (1)(d) is prohibited from:

(A) Taking legal action against the tenant for damages or any remaining unpaid rent accrued between March 1, 2020, and six months following the expiration of the eviction moratorium attributable to the same tenancy; or

(B) Pursuing collection, or authorizing another entity to pursue collection on the landlord's behalf, of a judgment against the tenant for damages or any remaining unpaid rent accrued between March 1, 2020, and six months following the expiration of the eviction moratorium attributable to the same tenancy.

(2) In order for a claim under subsection (1)(b)(iii) of this section to be eligible for reimbursement from the landlord mitigation program account, a landlord must:

(a) Have ensured that the rental property was inspected at the commencement of the tenancy by both the tenant and the landlord or landlord's agent and that a detailed written move-in property inspection report, as required in RCW 59.18.260, was prepared and signed by both the tenant and the landlord or landlord's agent;

(b) Make repairs and then apply for reimbursement to the department;

(c) Submit a claim on a form to be determined by the department, signed under penalty of perjury; and

(d) Submit to the department copies of the move-in property inspection report specified in (a) of this subsection and supporting materials including, but not limited to, before repair and after repair photographs, videos, copies of repair receipts for labor and materials, and such other documentation or information as the department may request.

(3) The department shall make reasonable efforts to review a claim within ten business days from the date it received properly submitted and complete claims to the satisfaction of the department. In reviewing a claim pursuant to subsection (1)(b) of this section, and determining eligibility for reimbursement, the department must receive documentation, acceptable to the

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department in its sole discretion, that the claim involves a private market rental unit rented to a low-income tenant who is using a housing subsidy program.

(4) Claims pursuant to subsection (1)(b) of this section related to a tenancy must total at least five hundred dollars in order for a claim to be eligible for reimbursement from the program. While claims or damages may exceed five thousand dollars, total reimbursement from the program may not exceed five thousand dollars per tenancy. For the 2021-2023 fiscal biennium, while claims or damages may exceed \$10,000, total reimbursement from the program may not exceed \$10,000 per tenancy.

(5) Damages, beyond wear and tear, that are eligible for reimbursement include, but are not limited to: Interior wall gouges and holes; damage to doors and cabinets, including hardware; carpet stains or burns; cracked tiles or hard surfaces; broken windows; damage to household fixtures such as disposal, toilet, sink, sink handle, ceiling fan, and lighting. Other property damages beyond normal wear and tear may also be eligible for reimbursement at the department's discretion.

(6) All reimbursements for eligible claims shall be made on a first-come, first-served basis, to the extent of available funds. The department shall use best efforts to notify the tenant of the amount and the reasons for any reimbursements made.

(7) The department, in its sole discretion, may inspect the property and the landlord's records related to a claim, including the use of a third-party inspector as needed to investigate fraud, to assist in making its claim review and determination of eligibility.

(8) A landlord in receipt of reimbursement from the program pursuant to subsection (1)(b) of this section is prohibited from:

(a) Taking legal action against the tenant for damages attributable to the same tenancy; or

(b) Pursuing collection, or authorizing another entity to pursue collection on the landlord's behalf, of a judgment against the tenant for damages attributable to the same tenancy.

(9) A landlord denied reimbursement under subsection (1)(b)(iii) of this section may seek to obtain a judgment from a court of competent jurisdiction and, if successful, may resubmit a claim for damages supported by the judgment, along with a certified copy of the judgment. The department may reimburse the landlord for that portion of such judgment that is based on damages reimbursable under the landlord mitigation program, subject to the limitations set forth in this section.

(10) Determinations regarding reimbursements shall be made by the department in its sole discretion.

(11) The department must establish a website that advertises the landlord mitigation program, the availability of reimbursement from the landlord mitigation program account, and maintains or links to the agency rules and policies established pursuant to this section.

(12) Neither the state, the department, or persons acting on behalf of the department, while acting within the scope of their employment or agency, is liable to any person for any loss, damage, harm, or other consequence resulting directly or indirectly from the department's administration of the landlord mitigation program or determinations under this section.

(13)(a) A report to the appropriate committees of the legislature on the effectiveness of the program and recommended modifications shall be submitted to the governor and the appropriate committees of the legislature by January 1, 2021. In preparing the report, the department shall convene and solicit input from a group of stakeholders to include representatives of large multifamily housing property owners or managers, small rental housing owners in both rural and urban markets, a representative of tenant advocates, and a representative of the

housing authorities.

(b) The report shall include discussion of the effectiveness of the program as well as the department's recommendations to improve the program, and shall include the following:

(i) The number of total claims and total amount reimbursed to landlords by the fund;

(ii) Any indices of fraud identified by the department;

(iii) Any reports by the department regarding inspections authorized by and conducted on behalf of the department;

(iv) An outline of the process to obtain reimbursement for improvements and for damages from the fund;

(v) An outline of the process to obtain reimbursement for lost rent due to the rental inspection and tenant screening process, together with the total amount reimbursed for such damages;

(vi) An evaluation of the feasibility for expanding the use of the mitigation fund to provide up to ninety-day no interest loans to landlords who have not received timely rental payments from a housing authority that is administering section 8 rental assistance;

(vii) Any other modifications and recommendations made by stakeholders to improve the effectiveness and applicability of the program.

(14) As used in this section:

(a) "Housing subsidy program" means a housing voucher as established under 42 U.S.C. Sec. 1437 as of January 1, 2018, or other housing subsidy program including, but not limited to, valid short-term or long-term federal, state, or local government, private nonprofit, or other assistance program in which the tenant's rent is paid either partially by the program and partially by the tenant, or completely by the program directly to the landlord;

(b) "Low-income" means income that does not exceed eighty percent of the median income for the standard metropolitan statistical area in which the private market rental unit is located; and

(c) "Private market rental unit" means any unit available for rent that is owned by an individual, corporation, limited liability company, nonprofit housing provider, or other entity structure, but does not include housing acquired, or constructed by a public housing agency under 42 U.S.C. Sec. 1437 as it existed on January 1, 2018.

Sec. 953. RCW 43.41.450 and 2017 3rd sp.s. c 1 s 968 are each amended to read as follows:

The office of financial management central service account is created in the state treasury. The account is to be used by the office as a revolving fund for the payment of salaries, wages, and other costs required for the operation and maintenance of statewide budgeting, accounting, forecasting, and functions and activities in the office. All receipts from agency fees and charges for services collected from public agencies must be deposited into the account. The director shall fix the terms and charges to agencies based on each agency's share of the office statewide cost allocation plan for federal funds. Moneys in the account may be spent only after appropriation. During the 2017-2019 and 2021-2023 fiscal ((biennium)) biennia, the account may be used as a revolving fund for the payment of salaries, wages, and other costs related to policy activities in the office. The legislature intends to continue the use of the revolving fund for policy activities during the 2019-2021 biennium.

Sec. 954. RCW 43.43.837 and 2021 c 203 s 2 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, in order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access, the secretary of the department of social and health services and the

secretary of the department of children, youth, and families may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and:

(a) Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;

(b) Is an individual sixteen years of age or older who: (i) Is not under the placement and care authority of the department of children, youth, and families; and (ii) resides in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department of children, youth, and families to provide services to children under RCW 74.15.030;

(c) Is an individual who is authorized by the department of social and health services to provide services to people with developmental disabilities under RCW 74.15.030; or

(d) Is an applicant or service provider providing in-home services funded by:

(i) Medicaid personal care under RCW 74.09.520;

(ii) Community options program entry system waiver services under RCW 74.39A.030;

(iii) Chore services under RCW 74.39A.110; or

(iv) Other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department of social and health services.

(2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 7, 2012, are subject to background checks under RCW 74.39A.056.

(3) To satisfy the shared background check requirements provided for in RCW 43.216.270 and 43.20A.710, the department of children, youth, and families and the department of social and health services shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow both departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. Neither department may share the federal background check results with any other state agency or person.

(4) The secretary of the department of children, youth, and families shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement of children in accordance with federal and state law. Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department of children, youth, and families for applicant and service providers providing foster care as required in RCW 74.15.030.

(5) Any secure facility operated by the department of social and health services or the department of children, youth, and families under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.

(6) Service providers and service provider applicants, except for those long-term care workers exempted in subsection (2) of this section, who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:

(a) A fingerprint-based background check is pending; and

(b) The applicant or service provider is not disqualified based on the immediate result of the background check.

(7) Fees charged by the Washington state patrol and the federal

bureau of investigation for fingerprint-based background checks shall be paid by the applicable department for applicants or service providers providing:

(a) Services to people with a developmental disability under RCW 74.15.030;

(b) In-home services funded by medicaid personal care under RCW 74.09.520;

(c) Community options program entry system waiver services under RCW 74.39A.030;

(d) Chore services under RCW 74.39A.110;

(e) Services under other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department of social and health services or the department of children, youth, and families; ((and))

(f) Services in, or to residents of, a secure facility under RCW 71.09.115; and

(g) For fiscal year 2023, applicants for child care and early learning services to children under RCW 43.216.270.

(8) Service providers licensed under RCW 74.15.030 must pay fees charged by the Washington state patrol and the federal bureau of investigation for conducting fingerprint-based background checks.

(9) Department of children, youth, and families service providers licensed under RCW 74.15.030 may not pass on the cost of the background check fees to their applicants unless the individual is determined to be disqualified due to the background information.

(10) The department of social and health services and the department of children, youth, and families shall develop rules identifying the financial responsibility of service providers, applicants, and the department for paying the fees charged by law enforcement to roll, print, or scan fingerprints-based for the purpose of a Washington state patrol or federal bureau of investigation fingerprint-based background check.

(11) For purposes of this section, unless the context plainly indicates otherwise:

(a) "Applicant" means a current or prospective department of social and health services, department of children, youth, and families, or service provider employee, volunteer, student, intern, researcher, contractor, or any other individual who will or may have unsupervised access because of the nature of the work or services he or she provides. "Applicant" includes but is not limited to any individual who will or may have unsupervised access and is:

(i) Applying for a license or certification from the department of social and health services or the department of children, youth, and families;

(ii) Seeking a contract with the department of social and health services, the department of children, youth, and families, or a service provider;

(iii) Applying for employment, promotion, reallocation, or transfer;

(iv) An individual that a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client chooses to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered; or

(v) A department of social and health services or department of children, youth, and families applicant who will or may work in a department-covered position.

(b) "Authorized" means the department of social and health

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services or the department of children, youth, and families grants an applicant, home, or facility permission to:

- (i) Conduct licensing, certification, or contracting activities;
- (ii) Have unsupervised access to vulnerable adults, juveniles, and children;
- (iii) Receive payments from a department of social and health services or department of children, youth, and families program; or
- (iv) Work or serve in a department of social and health services or department of children, youth, and families-covered position.

(c) "Secretary" means the secretary of the department of social and health services.

(d) "Secure facility" has the meaning provided in RCW 71.09.020.

(e) "Service provider" means entities, facilities, agencies, businesses, or individuals who are licensed, certified, authorized, or regulated by, receive payment from, or have contracts or agreements with the department of social and health services or the department of children, youth, and families to provide services to vulnerable adults, juveniles, or children. "Service provider" includes individuals whom a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client may choose to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered.

Sec. 955. RCW 43.70.715 and 2021 c 334 s 1004 are each amended to read as follows:

(1) The COVID-19 public health response account is created in the custody of the state treasurer. The account shall consist of funds appropriated by the legislature and grants received by the department of health for activities in response to the coronavirus pandemic (COVID-19). Only the secretary, or the secretary's designee, may authorize expenditures from the account for costs related to the public health response to COVID-19, subject to any limitations imposed by grant funding deposited into the account. The COVID-19 public health response account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2)(a) The legislature finds that a safe, efficient, and effective delivery of vaccinations is of the utmost importance for restoring societal and economic functions. As we learn more about the virus, the vaccine, and challenges to vaccine allocation and distribution, it is anticipated that the state's COVID-19 vaccination distribution plan will evolve. To that end, the legislature has provided flexibility by funding expenditures for testing, contact tracing, mitigation activities, vaccine administration and distribution, and other allowable uses for the state, local health jurisdictions, and tribes at the discretion of the secretary and without an appropriation. However, to maintain fiscal control and to ensure spending priorities align, the department is required to collaborate and communicate with the chairs and ranking members of the health care and fiscal committees of the legislature and local health jurisdictions in advance of any significant revision of the state's COVID-19 vaccination plan and to provide regular updates on its implementation and spending.

(b) As part of the public health response to COVID-19, the expenditures from the account must be used to effectively administer the vaccine for COVID-19 and conduct testing and contact tracing. The department must ensure that COVID-19 outreach is accessible, culturally and linguistically appropriate,

and that it includes community-driven partnerships and strategies.

(c) When making expenditures for administering the vaccine for COVID-19, the department must focus on identifying persons for vaccination, prioritizing underserved, underrepresented, and hard-to-reach communities, making the vaccine accessible, and providing support to schools for safe reopening. Strategies for vaccine distribution shall include the establishment and expansion of community vaccination centers, mobile vaccination units, reporting enhancements, in-home visits for vaccinations for the elderly, and transportation of individuals to vaccination sites.

(d) When making expenditures regarding testing and contact tracing, the department must provide equitable access, prioritize underserved, underrepresented, and hard-to-reach communities, and provide support and resources to facilitate the safe reopening of schools while minimizing community spread of the virus.

(e) The department may also make expenditures from the account related to developing the public health workforce using funds granted by the federal government for that purpose in section 2501, the American rescue plan act of 2021, P.L. 117-2.

(3) When making expenditures from the account, the department must include an emphasis on public communication regarding the availability and accessibility of the vaccine and testing, and the importance of vaccine and testing availability to the safe reopening of the state.

(4)(a) The department must report to the fiscal and health care committees of the legislature on a monthly basis regarding its COVID-19 response.

((b)) To the extent that it is available, the report must include data regarding vaccine distribution, testing, and contact tracing, as follows:

(i) The number of vaccines administered per day, including regional data regarding the location and age groups of persons receiving the vaccine, specifically identifying hard-to-reach communities in which vaccines were administered; and

(ii) The number of tests conducted per week, including data specifically addressing testing conducted in hard-to-reach communities.

(b)(i) Beginning with the quarter ending March 31, 2022, the department must report to the fiscal and health care committees of the legislature on a quarterly basis regarding revenues and expenditures related to the COVID-19 response. The reports must include:

(A) Quarterly expenditures of funds, by fund source, including the appropriated amounts pursuant to section 222(76) and (77) of this act for:

- (I) Diagnostic testing;
- (II) Case investigation and contact tracing;
- (III) Outbreak response;
- (IV) Care coordination;
- (V) Community outreach;
- (VI) Information and technology operations;
- (VII) Surveillance;
- (VIII) Vaccines;
- (IX) Client services;
- (X) Local health jurisdictions; and
- (XI) Tribes; and

(B) Grant amounts received during the reporting quarter that may be used in the COVID-19 response.

(ii) The quarterly reports must reflect the previous quarter, a projection of expected expenditures and revenue for the next quarter, and an accounting of the expenditures and revenue for the 2021-2023 fiscal biennium to date. The quarterly reports are due no later than 30 days after the end of the applicable quarter.

(c) The first monthly report pursuant to (a) of this subsection is due no later than one month from February 19, 2021. Monthly

reports are no longer required upon the department's determination that the remaining balance of the COVID-19 (([public health])) public health response account is less than \$100,000.

Sec. 956. RCW 43.79.505 and 2019 c 251 s 9 are each amended to read as follows:

The judicial stabilization trust account is created within the state treasury, subject to appropriation. All receipts from the surcharges authorized by RCW 3.62.060(2), 12.40.020, 36.18.018(4), and 36.18.020(5) shall be deposited in this account. Moneys in the account may be spent only after appropriation.

Expenditures from the account may be used only for the support of judicial branch agencies and, for the 2021-2023 fiscal biennium, for expenditures to address state and local costs related to the *State v. Blake* decision.

Sec. 957. RCW 43.83B.430 and 2020 c 168 s 6 are each amended to read as follows:

The state drought preparedness and response account is created in the state treasury. All receipts from appropriated funds designated for the account and all cost recovery revenues collected under RCW 43.83B.410(5) must be deposited into the account. Expenditures from the account may be used for drought preparedness and response activities under this chapter, including grants issued under RCW 43.83B.415. During the 2021-2023 fiscal biennium, moneys in the account may be used for water banking pilot projects. Moneys in the account may be spent only after appropriation.

Sec. 958. RCW 43.101.435 and 2019 c 415 s 971 are each amended to read as follows:

The Washington internet crimes against children account is created in the custody of the state treasurer. All receipts from legislative appropriations, donations, gifts, grants, and funds from federal or private sources must be deposited into the account. Expenditures from the account must be used exclusively by the Washington internet crimes against children task force and its affiliate agencies for combating internet-facilitated crimes against children, promoting education on internet safety to the public and to minors, and rescuing child victims from abuse and exploitation. Only the criminal justice training commission or the commission's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. The commission may enter into agreements with the Washington association of sheriffs and police chiefs to administer grants and other activities funded by the account and be paid an administrative fee not to exceed three percent of expenditures. During the 2019-2021 and 2021-2023 fiscal ((biennium)) biennia, moneys in the account may be used by the Washington state patrol for activities related to the missing and exploited children task force.

Sec. 959. RCW 43.216.1368 and 2021 c 199 s 201 are each amended to read as follows:

(1) It is the intent of the legislature to increase working families' access to affordable, high quality child care and to support the expansion of the workforce to support businesses and the statewide economy.

(2) Beginning October 1, 2021, a family is eligible for working connections child care when the household's annual income is at or below 60 percent of the state median income adjusted for family size and:

- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- (b) The household meets all other program eligibility requirements.

(3) Beginning July 1, 2025, a family is eligible for working

connections child care when the household's annual income is above 60 percent and at or below 75 percent of the state median income adjusted for family size and:

- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- (b) The household meets all other program eligibility requirements.

(4) Beginning July 1, 2027, and subject to the availability of amounts appropriated for this specific purpose, a family is eligible for working connections child care when the household's annual income is above 75 percent of the state median income and is at or below 85 percent of the state median income adjusted for family size and:

- (a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and
- (b) The household meets all other program eligibility requirements.

(5)(a) Beginning ((July)) October 1, 2021, through June 30, 2023, the department must calculate a monthly copayment according to the following schedule:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the state median income	\$65
Above 36 percent and at or below 50 percent of the state median income	\$115 until December 31, 2021, and \$90 beginning January 1, 2022
Above 50 percent and at or below 60 percent of the state median income	\$115

(b) Beginning July 1, 2023, the department must calculate a monthly copayment according to the following schedule:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the state median income	\$65
Above 36 percent and at or below 50 percent of the state median income	\$90
Above 50 percent and at or below 60 percent of the state median income	\$165

(c) Beginning July 1, 2025, the department must calculate a maximum monthly copayment of \$215 for households with incomes above 60 percent and at or below 75 percent of the state median income.

(d) Subject to the availability of amounts appropriated for this specific purpose, the department shall adopt a copayment model for households with annual incomes above 75 percent of the state median income and at or below 85 percent of the state median income. The model must calculate a copayment for each

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household that is no greater than seven percent of the household's countable income within this income range.

(e) The department may adjust the copayment schedule to comply with federal law.

(6) The department must adopt rules to implement this section, including an income phase-out eligibility period.

Sec. 960. RCW 43.216.270 and 2020 c 270 s 9 are each amended to read as follows:

(1)(a) In determining whether an individual is of appropriate character, suitability, and competence to provide child care and early learning services to children, the department may consider the history of past involvement of child protective services or law enforcement agencies with the individual for the purpose of establishing a pattern of conduct, behavior, or inaction with regard to the health, safety, or welfare of a child. No report of child abuse or neglect that has been destroyed or expunged under RCW 26.44.031 may be used for such purposes. No unfounded or inconclusive allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a provider licensed under this chapter.

(b) The department may not deny or delay a license to provide child care and early learning services under this chapter to an individual solely because of a founded finding of physical abuse or negligent treatment or maltreatment involving the individual revealed in the background check process or solely because the individual's child was found by a court to be dependent as a result of a finding that the individual abused or neglected their child pursuant to RCW 13.34.030(6)(b) when that founded finding or court finding is accompanied by a certificate of parental improvement as defined in chapter 74.13 RCW related to the same incident.

(2) In order to determine the suitability of individuals newly applying for an agency license, new licensees, their new employees, and other persons who newly have unsupervised access to children in child care, shall be fingerprinted.

(a) The fingerprints shall be forwarded to the Washington state patrol and federal bureau of investigation for a criminal history record check.

(b)(i) All individuals applying for first-time agency licenses, all new employees, and other persons who have not been previously qualified by the department to have unsupervised access to children in child care must be fingerprinted and obtain a criminal history record check pursuant to this section.

(ii) ((Persons)) Except during fiscal year 2023, persons required to be fingerprinted and obtain a criminal history record check pursuant to this section must pay for the cost of this check as follows: The fee established by the Washington state patrol for the criminal background history check, including the cost of obtaining the fingerprints; and a fee paid to the department for the cost of administering the individual-based/portable background check clearance registry. The fee paid to the department must be deposited into the individual-based/portable background check clearance account established in RCW 43.216.273. The licensee may, but need not, pay these costs on behalf of a prospective employee or reimburse the prospective employee for these costs. The licensee and the prospective employee may share these costs.

(c) The secretary shall use the fingerprint criminal history record check information solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children.

(d) Criminal justice agencies shall provide the secretary such information as they may have and that the secretary may require for such purpose.

(e) No later than July 1, 2013, all agency licensees holding licenses prior to July 1, 2012, persons who were employees before July 1, 2012, and persons who have been qualified by the department before July 1, 2012, to have unsupervised access to children in child care, must submit a new background application to the department. The department must require persons submitting a new background application pursuant to this subsection (2)(e) to pay a fee to the department for the cost of administering the individual-based/portable background check clearance registry. This fee must be paid into the individual-based/portable background check clearance account established in RCW 43.216.273. The licensee may, but need not, pay these costs on behalf of a prospective employee or reimburse the prospective employee for these costs. The licensee and the prospective employee may share these costs.

(f) The department shall issue a background check clearance card or certificate to the applicant if after the completion of a background check the department concludes the applicant is qualified for unsupervised access to children in child care. The background check clearance card or certificate is valid for three years from the date of issuance. A valid card or certificate must be accepted by a potential employer as proof that the applicant has successfully completed a background check as required under this chapter. For purposes of renewal of the background clearance card or certificate, all agency licensees holding a license, persons who are employees, and persons who have been previously qualified by the department, must submit a new background application to the department on a date to be determined by the department. ((The)) Except during fiscal year 2023, fee requirements applicable to this section also apply to background clearance renewal applications.

(g) The original applicant for an agency license, licensees, their employees, and other persons who have unsupervised access to children in child care shall submit a new background check application to the department, on a form and by a date as determined by the department.

(h) The payment requirements applicable to (a) through (g) of this subsection do not apply to persons who:

(i) Provide regularly scheduled care for a child or children in the home of the provider or in the home of the child or children for periods of less than twenty-four hours or, if necessary due to the nature of the parent's work, for periods equal to or greater than twenty-four hours;

(ii) Receive child care subsidies; and

(iii) Are exempt from licensing under this chapter.

(i) The applicant and agency shall maintain on-site for inspection a copy of the background check clearance card or certificate.

(j) Individuals who have been issued a background check clearance card or certificate shall report nonconviction and conviction information to the department within twenty-four hours of the event constituting the nonconviction or conviction information.

(k) The department shall investigate and conduct a redetermination of an applicant's or licensee's background clearance if the department receives a complaint or information from individuals, a law enforcement agency, or other federal, state, or local government agency. Subject to the requirements contained in RCW 43.216.325 and 43.216.327 and based on a determination that an individual lacks the appropriate character, suitability, or competence to provide child care or early learning services to children, the department may: (i) Invalidate the background card or certificate; or (ii) suspend, modify, or revoke any license authorized by this chapter.

(3) To satisfy the shared background check requirements of the

department of children, youth, and families, the office of the superintendent of public instruction, and the department of social and health services, each department shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow these departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. These departments may not share the federal background check results with any other state agency or person.

(4) Individuals who have completed a fingerprint background check as required by the office of the superintendent of public instruction, consistent with RCW 28A.400.303, and have been continuously employed by the same school district or educational service district, can meet the requirements in subsection (2) of this section by providing a true and accurate copy of their Washington state patrol and federal bureau of investigation background check report results to the department or if the school district or the educational service district provides an affidavit to the department that the individual has been authorized to work by the school district or educational service district after completing a record check consistent with RCW 28A.400.303. The department may require that additional background checks be completed that do not require additional fingerprinting and, except during fiscal year 2023, may charge a fee for these additional background checks.

Sec. 961. RCW 43.348.080 and 2019 c 445 s 403 are each amended to read as follows:

(1) The Andy Hill cancer research endowment fund match transfer account is created in the custody of the state treasury to be used solely and exclusively for the program created in RCW 43.348.040. Moneys in the account may be spent only after appropriation. The purpose of the account is to provide matching funds for the fund and administrative costs. Expenditures to fund or reimburse the program administrator are not subject to the requirements of subsection (4) of this section.

(2) The legislature must appropriate a state match, up to a maximum of ten million dollars annually, beginning July 1, 2016, and each July 1st following the end of the fiscal year from tax collections and penalties generated from enforcement of state taxes on cigarettes and other tobacco products by the state liquor and cannabis board or other federal, state or local law or tax enforcement agency, as determined by the department of revenue. Tax collections include any cigarette tax, other tobacco product tax, and retail sales and use tax. Any amounts deposited into this account from the tax imposed under RCW 82.25.010 in excess of the cap provided in this subsection must be deposited into the foundational public health services account created in RCW 82.25.015.

(3) Revenues to the account must consist of deposits into the account, taxes imposed on vapor products under RCW 82.25.010, legislative appropriations, and any gifts, grants, or donations received by the department for this purpose.

(4) Each fiscal biennium, the legislature must appropriate to the department of commerce such amounts as estimated to be the balance of the account to provide state matching funds.

(5) Expenditures, in the form of matching funds, from the account may be made only upon receipt of proof from the program administrator of nonstate or private contributions to the fund for the program. Expenditures, in the form of matching funds, may not exceed the total amount of nonstate or private contributions.

(6) The department must enter into an appropriate agreement with the program administrator to demonstrate exchange of consideration for the matching funds.

(7) Moneys expended into the account in fiscal year 2023 pursuant to section 706 of this act are not subject to the

requirements of subsections (5) and (6) of this section.

Sec. 962. RCW 50A.10.030 and 2019 c 13 s 21 are each amended to read as follows:

(1)(a) Beginning January 1, 2019, the department shall assess for each individual in employment with an employer and for each individual electing coverage a premium based on the amount of the individual's wages subject to subsection (4) of this section.

(b) The premium rate for family leave benefits shall be equal to one-third of the total premium rate.

(c) The premium rate for medical leave benefits shall be equal to two-thirds of the total premium rate.

(2) For calendar year 2022 and thereafter, the commissioner shall determine the percentage of paid claims related to family leave benefits and the percentage of paid claims related to medical leave benefits and adjust the premium rates set in subsection (1)(b) and (c) of this section by the proportional share of paid claims.

(3)(a) Beginning January 1, 2019, and ending December 31, 2020, the total premium rate shall be four-tenths of one percent of the individual's wages subject to subsection (4) of this section.

(b) For family leave premiums, an employer may deduct from the wages of each employee up to the full amount of the premium required.

(c) For medical leave premiums, an employer may deduct from the wages of each employee up to forty-five percent of the full amount of the premium required.

(d) An employer may elect to pay all or any portion of the employee's share of the premium for family leave or medical leave benefits, or both.

(4) The commissioner must annually set a maximum limit on the amount of wages that is subject to a premium assessment under this section that is equal to the maximum wages subject to taxation for social security as determined by the social security administration.

(5)(a) Employers with fewer than fifty employees employed in the state are not required to pay the employer portion of premiums for family and medical leave.

(b) If an employer with fewer than fifty employees elects to pay the premiums, the employer is then eligible for assistance under RCW 50A.24.010.

(6) For calendar year 2021 and thereafter, the total premium rate shall be based on the family and medical leave insurance account balance ratio as of September 30th of the previous year. The commissioner shall calculate the account balance ratio by dividing the balance of the family and medical leave insurance account by total covered wages paid by employers and those electing coverage. The division shall be carried to the fourth decimal place with the remaining fraction disregarded unless it amounts to five hundred-thousandths or more, in which case the fourth decimal place shall be rounded to the next higher digit. If the account balance ratio is:

(a) Zero to nine hundredths of one percent, the premium is six tenths of one percent of the individual's wages;

(b) One tenth of one percent to nineteen hundredths of one percent, the premium is five tenths of one percent of the individual's wages;

(c) Two tenths of one percent to twenty-nine hundredths of one percent, the premium is four tenths of one percent of the individual's wages;

(d) Three tenths of one percent to thirty-nine hundredths of one percent, the premium is three tenths of one percent of the individual's wages;

(e) Four tenths of one percent to forty-nine hundredths of one percent, the premium is two tenths of one percent of the individual's wages; or

(f) Five tenths of one percent or greater, the premium is one

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tenth of one percent of the individual's wages.

(7) Beginning January 1, 2021, if the account balance ratio calculated in subsection (6) of this section is below five hundredths of one percent, the commissioner must assess a solvency surcharge at the lowest rate necessary to provide revenue to pay for the administrative and benefit costs of family and medical leave, for the calendar year, as determined by the commissioner. The solvency surcharge shall be at least one-tenth of one percent and no more than six-tenths of one percent and be added to the total premium rate for family and medical leave benefits. Any projected expenditures of general fund moneys into the family and medical leave insurance account pursuant to section 723 of this act must be excluded from the commissioner's determination of the necessary revenue to pay the administrative and benefit costs of family and medical leave for the calendar year.

(8)(a) The employer must collect from the employees the premiums and any surcharges provided under this section through payroll deductions and remit the amounts collected to the department.

(b) In collecting employee premiums through payroll deductions, the employer shall act as the agent of the employees and shall remit the amounts to the department as required by this title.

(c) On September 30th of each year, the department shall average the number of employees reported by an employer over the last four completed calendar quarters to determine the size of the employer for the next calendar year for the purposes of this section and RCW 50A.24.010.

(9) Premiums shall be collected in the manner and at such intervals as provided in this title and directed by the department.

(10) Premiums collected under this section are placed in trust for the employees and employers that the program is intended to assist.

(11) A city, code city, town, county, or political subdivision may not enact a charter, ordinance, regulation, rule, or resolution:

(a) Creating a paid family or medical leave insurance program that alters or amends the requirements of this title for any private employer;

(b) Providing for local enforcement of the provisions of this title; or

(c) Requiring private employers to supplement duration of leave or amount of wage replacement benefits provided under this title.

Sec. 963. RCW 70A.200.140 and 2021 c 334 s 987 are each amended to read as follows:

(1) There is hereby created an account within the state treasury to be known as the waste reduction, recycling, and litter control account. Moneys in the account may be spent only after appropriation. Expenditures from the waste reduction, recycling, and litter control account shall be used as follows:

(a) Forty percent to the department of ecology, primarily for use by the departments of ecology, natural resources, revenue, transportation, and corrections, and the parks and recreation commission, for litter collection programs under RCW 70A.200.170. The amount to the department of ecology shall also be used for a central coordination function for litter control efforts statewide; to support employment of youth in litter cleanup as intended in RCW 70A.200.020, and for litter pick up using other authorized agencies; and for statewide public awareness programs under RCW 70A.200.150(7). The amount to the department shall also be used to defray the costs of administering the funding, coordination, and oversight of local government programs for waste reduction, litter control, recycling, and composting so that local governments can apply one hundred

percent of their funding to achieving program goals. The amount to the department of revenue shall be used to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

(b)(i) Twenty percent to the department for local government funding programs for waste reduction, litter control, recycling activities, and composting activities by cities and counties under RCW 70A.200.190, to be administered by the department of ecology; (ii) any unspent funds under (b)(i) of this subsection may be used to create and pay for a matching fund competitive grant program to be used by local governments for the development and implementation of contamination reduction and outreach plans for inclusion in comprehensive solid waste management plans or by local governments and nonprofit organizations for local or statewide education programs designed to help the public with litter control, waste reduction, recycling, and composting of primarily the products taxed under chapter 82.19 RCW. Recipients under this subsection include programs to reduce wasted food and food waste that are designed to achieve the goals established in RCW 70A.205.715(1) and that are consistent with the plan developed in RCW 70A.205.715(3). Grants must adhere to the following requirements: (A) No grant may exceed sixty thousand dollars; (B) grant recipients shall match the grant funding allocated by the department by an amount equal to twenty-five percent of eligible expenses. A local government's share of these costs may be met by cash or contributed services; (C) the obligation of the department to make grant payments is contingent upon the availability of the amount of money appropriated for this subsection (1)(b); and (D) grants are managed under the guidelines for existing grant programs; and

(c) Forty percent to the department of ecology to: (i) Implement activities under RCW 70A.200.150 for waste reduction, recycling, and composting efforts; (ii) provide technical assistance to local governments and commercial businesses to increase recycling markets and recycling and composting programs primarily for the products taxed under chapter 82.19 RCW designed to educate citizens about waste reduction, litter control, and recyclable and compostable products and programs; (iii) increase access to waste reduction, composting, and recycling programs, particularly for food packaging and plastic bags and appropriate composting techniques; and (iv) for programs to reduce wasted food and food waste that are designed to achieve the goals established in RCW 70A.205.715(1) and that are consistent with the plan developed in RCW 70A.205.715(3).

(2) All taxes imposed in RCW 82.19.010 and fines and bail forfeitures collected or received pursuant to this chapter shall be deposited in the waste reduction, recycling, and litter control account and used for the programs under subsection (1) of this section.

(3) Not less than five percent and no more than ten percent of the amount appropriated into the waste reduction, recycling, and litter control account every biennium shall be reserved for capital needs, including the purchase of vehicles for transporting crews and for collecting litter and solid waste. Capital funds shall be distributed among state agencies and local governments according to the same criteria provided in RCW 70A.200.170 for the remainder of the funds, so that the most effective waste reduction, litter control, recycling, and composting programs receive the most funding. The intent of this subsection is to provide funds for the purchase of equipment that will enable the department to account for the greatest return on investment in terms of reaching a zero litter goal.

(4) Funds in the waste reduction, recycling, and litter control account, collected under chapter 82.19 RCW, must be prioritized for the products identified under RCW 82.19.020 solely for the purposes of recycling, composting, and litter collection,

reduction, and control programs.

(5) During the 2021-2023 fiscal biennium, Washington State University may use funds in the waste reduction, recycling, and litter control account, collected under chapter 82.19 RCW, to conduct an organic waste study.

(6) During the 2021-2023 fiscal biennium, and as an exception to the distribution of expenditures otherwise required in this section, the department of ecology may use funds in the waste reduction, recycling, and litter control account to continue a series of food waste reduction campaigns, to continue to invest in litter prevention campaigns, to conduct a recycling study, and to increase litter control on state highways.

Sec. 964. RCW 71.24.580 and 2021 c 334 s 989 are each amended to read as follows:

(1) The criminal justice treatment account is created in the state treasury. Moneys in the account may be expended solely for: (a) Substance use disorder treatment and treatment support services for offenders with a substance use disorder that, if not treated, would result in addiction, against whom charges are filed by a prosecuting attorney in Washington state; (b) the provision of substance use disorder treatment services and treatment support services for nonviolent offenders within a drug court program and, during the 2021-23 fiscal biennium, for 180 days following graduation from the drug court program; and (c) the administrative and overhead costs associated with the operation of a drug court. Amounts provided in this subsection must be used for treatment and recovery support services for criminally involved offenders and authorization of these services shall not be subject to determinations of medical necessity. During the 2019-2021 and 2021-2023 fiscal biennia, funding from the criminal justice treatment account may be used to provide treatment and support services through the conclusion of an individual's treatment plan to individuals participating in a drug court program as of February 24, 2021, if that individual wishes to continue treatment following dismissal of charges they were facing under RCW 69.50.4013(1). Such participation is voluntary and contingent upon substantial compliance with drug court program requirements. During the 2019-2021 and 2021-2023 fiscal biennia, the legislature may appropriate from the account for municipal drug courts and increased treatment options. During the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the criminal justice treatment account to the home security fund account created in RCW 43.185C.060. Moneys in the account may be spent only after appropriation.

(2) For purposes of this section:

(a) "Treatment" means services that are critical to a participant's successful completion of his or her substance use disorder treatment program, including but not limited to the recovery support and other programmatic elements outlined in RCW 2.30.030 authorizing therapeutic courts; and

(b) "Treatment support" includes transportation to or from inpatient or outpatient treatment services when no viable alternative exists, and child care services that are necessary to ensure a participant's ability to attend outpatient treatment sessions.

(3) Revenues to the criminal justice treatment account consist of: (a) Funds transferred to the account pursuant to this section; and (b) any other revenues appropriated to or deposited in the account.

(4)(a) For the fiscal year beginning July 1, 2005, and each subsequent fiscal year, the state treasurer shall transfer eight million two hundred fifty thousand dollars from the general fund to the criminal justice treatment account, divided into four equal quarterly payments. For the fiscal year beginning July 1, 2006, and each subsequent fiscal year, the amount transferred shall be

increased on an annual basis by the implicit price deflator as published by the federal bureau of labor statistics.

(b) In each odd-numbered year, the legislature shall appropriate the amount transferred to the criminal justice treatment account in (a) of this subsection to the department for the purposes of subsection (5) of this section.

(5) Moneys appropriated to the authority from the criminal justice treatment account shall be distributed as specified in this subsection. The authority may retain up to three percent of the amount appropriated under subsection (4)(b) of this section for its administrative costs.

(a) Seventy percent of amounts appropriated to the authority from the account shall be distributed to counties pursuant to the distribution formula adopted under this section. The authority, in consultation with the department of corrections, the Washington state association of counties, the Washington state association of drug court professionals, the superior court judges' association, the Washington association of prosecuting attorneys, representatives of the criminal defense bar, representatives of substance use disorder treatment providers, and any other person deemed by the authority to be necessary, shall establish a fair and reasonable methodology for distribution to counties of moneys in the criminal justice treatment account. County or regional plans submitted for the expenditure of formula funds must be approved by the panel established in (b) of this subsection.

(b) Thirty percent of the amounts appropriated to the authority from the account shall be distributed as grants for purposes of treating offenders against whom charges are filed by a county prosecuting attorney. The authority shall appoint a panel of representatives from the Washington association of prosecuting attorneys, the Washington association of sheriffs and police chiefs, the superior court judges' association, the Washington state association of counties, the Washington defender's association or the Washington association of criminal defense lawyers, the department of corrections, the Washington state association of drug court professionals, and substance use disorder treatment providers. The panel shall review county or regional plans for funding under (a) of this subsection and grants approved under this subsection. The panel shall attempt to ensure that treatment as funded by the grants is available to offenders statewide.

(6) The county alcohol and drug coordinator, county prosecutor, county sheriff, county superior court, a substance abuse treatment provider appointed by the county legislative authority, a member of the criminal defense bar appointed by the county legislative authority, and, in counties with a drug court, a representative of the drug court shall jointly submit a plan, approved by the county legislative authority or authorities, to the panel established in subsection (5)(b) of this section, for disposition of all the funds provided from the criminal justice treatment account within that county. The submitted plan should incorporate current evidence-based practices in substance use disorder treatment. The funds shall be used solely to provide approved alcohol and substance use disorder treatment pursuant to RCW 71.24.560 and treatment support services. No more than ten percent of the total moneys received under subsections (4) and (5) of this section by a county or group of counties participating in a regional agreement shall be spent for treatment support services.

(7) Counties are encouraged to consider regional agreements and submit regional plans for the efficient delivery of treatment under this section.

(8) Moneys allocated under this section shall be used to supplement, not supplant, other federal, state, and local funds used for substance abuse treatment.

(9) If a region or county uses criminal justice treatment account

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funds to support a therapeutic court, the therapeutic court must allow the use of all medications approved by the federal food and drug administration for the treatment of opioid use disorder as deemed medically appropriate for a participant by a medical professional. If appropriate medication-assisted treatment resources are not available or accessible within the jurisdiction, the health care authority's designee for assistance must assist the court with acquiring the resource.

(10) Counties must meet the criteria established in RCW 2.30.030(3).

(11) The authority shall annually review and monitor the expenditures made by any county or group of counties that receives appropriated funds distributed under this section. Counties shall repay any funds that are not spent in accordance with the requirements of its contract with the authority.

Sec. 965. RCW 74.13.802 and 2020 c 33 s 7 are each amended to read as follows:

(1) Beginning July 1, 2020, the department shall establish a child welfare housing assistance pilot program, which provides housing vouchers, rental assistance, navigation, and other support services to eligible families.

(a) The department shall operate or contract for the operation of the child welfare housing assistance pilot program under subsection (3) of this section in one county west of the crest of the Cascade mountain range and one county east of the crest of the Cascade mountain range.

(b) The child welfare housing assistance pilot program is intended to shorten the time that children remain in out-of-home care.

(2) A parent with a child who is dependent pursuant to chapter 13.34 RCW and whose primary remaining barrier to reunification is the lack of appropriate housing is eligible for the child welfare housing assistance pilot program.

(3) The department shall contract with an outside entity or entities to operate the child welfare housing assistance pilot program. If no outside entity or entities are available to operate the program or specific parts of the program, the department may operate the program or the specific parts that are not operated by an outside entity.

(4) Families may be referred to the child welfare housing assistance pilot program by a caseworker, an attorney, a guardian ad litem as defined in chapter 13.34 RCW, a parent ally as defined in RCW 2.70.060, an office of public defense social worker, or the court.

(5) The department shall consult with a stakeholder group that must include, but is not limited to, the following:

- (a) Parent allies;
 - (b) Parent attorneys and social workers managed by the office of public defense parent representation program;
 - (c) The department of commerce;
 - (d) Housing experts;
 - (e) Community-based organizations;
 - (f) Advocates; and
 - (g) Behavioral health providers.
- (6) The stakeholder group established in subsection (5) of this section shall begin meeting after July 28, 2019, and assist the department in design of the child welfare housing assistance pilot program in areas including, but not limited to:

(a) Equitable racial, geographic, ethnic, and gender distribution of program support;

(b) Eligibility criteria;

(c) Creating a definition of homeless for purposes of eligibility for the program; and

(d) Options for program design that include outside entities operating the entire program or specific parts of the program.

(7) By December 1, 2021, the department shall report outcomes for the child welfare housing assistance pilot program to the oversight board for children, youth, and families established pursuant to RCW 43.216.015. The report must include racial, geographic, ethnic, and gender distribution of program support.

(8) The child welfare housing assistance pilot program established in this section is subject to the availability of funds appropriated for this purpose.

(9) This section expires June 30, ((2022)) 2023.

Sec. 966. RCW 74.46.561 and 2021 c 334 s 993 are each amended to read as follows:

(1) The legislature adopts a new system for establishing nursing home payment rates beginning July 1, 2016. Any payments to nursing homes for services provided after June 30, 2016, must be based on the new system. The new system must be designed in such a manner as to decrease administrative complexity associated with the payment methodology, reward nursing homes providing care for high acuity residents, incentivize quality care for residents of nursing homes, and establish minimum staffing standards for direct care.

(2) The new system must be based primarily on industry-wide costs, and have three main components: Direct care, indirect care, and capital.

(3) The direct care component must include the direct care and therapy care components of the previous system, along with food, laundry, and dietary services. Direct care must be paid at a fixed rate, based on one hundred percent or greater of statewide case mix neutral median costs, but for fiscal year 2023 shall be capped so that a nursing home provider's direct care rate does not exceed ((one hundred thirty)) 165 percent of its base year's direct care allowable costs except if the provider is below the minimum staffing standard established in RCW 74.42.360(2). The legislature intends to remove the cap on direct care rates by June 30, 2027. Direct care must be performance-adjusted for acuity every six months, using case mix principles. Direct care must be regionally adjusted using countywide wage index information available through the United States department of labor's bureau of labor statistics. There is no minimum occupancy for direct care. The direct care component rate allocations calculated in accordance with this section must be adjusted to the extent necessary to comply with RCW 74.46.421.

(4) The indirect care component must include the elements of administrative expenses, maintenance costs, and housekeeping services from the previous system. A minimum occupancy assumption of ninety percent must be applied to indirect care, except during fiscal year 2023 when the minimum occupancy assumption must be 75 percent. Indirect care must be paid at a fixed rate, based on ninety percent or greater of statewide median costs. The indirect care component rate allocations calculated in accordance with this section must be adjusted to the extent necessary to comply with RCW 74.46.421.

(5) The capital component must use a fair market rental system to set a price per bed. The capital component must be adjusted for the age of the facility, and must use a minimum occupancy assumption of ninety percent.

(a) Beginning July 1, 2016, the fair rental rate allocation for each facility must be determined by multiplying the allowable nursing home square footage in (c) of this subsection by the RSMMeans rental rate in (d) of this subsection and by the number of licensed beds yielding the gross unadjusted building value. An equipment allowance of ten percent must be added to the unadjusted building value. The sum of the unadjusted building value and equipment allowance must then be reduced by the average age of the facility as determined by (e) of this subsection using a depreciation rate of one and one-half percent. The

depreciated building and equipment plus land valued at ten percent of the gross unadjusted building value before depreciation must then be multiplied by the rental rate at seven and one-half percent to yield an allowable fair rental value for the land, building, and equipment.

(b) The fair rental value determined in (a) of this subsection must be divided by the greater of the actual total facility census from the prior full calendar year or imputed census based on the number of licensed beds at ninety percent occupancy.

(c) For the rate year beginning July 1, 2016, all facilities must be reimbursed using four hundred square feet. For the rate year beginning July 1, 2017, allowable nursing facility square footage must be determined using the total nursing facility square footage as reported on the medicaid cost reports submitted to the department in compliance with this chapter. The maximum allowable square feet per bed may not exceed four hundred fifty.

(d) Each facility must be paid at eighty-three percent or greater of the median nursing facility RSMeans construction index value per square foot. The department may use updated RSMeans construction index information when more recent square footage data becomes available. The statewide value per square foot must be indexed based on facility zip code by multiplying the statewide value per square foot times the appropriate zip code based index. For the purpose of implementing this section, the value per square foot effective July 1, 2016, must be set so that the weighted average fair rental value rate is not less than ten dollars and eighty cents per patient day. The capital component rate allocations calculated in accordance with this section must be adjusted to the extent necessary to comply with RCW 74.46.421.

(e) The average age is the actual facility age reduced for significant renovations. Significant renovations are defined as those renovations that exceed two thousand dollars per bed in a calendar year as reported on the annual cost report submitted in accordance with this chapter. For the rate beginning July 1, 2016, the department shall use renovation data back to 1994 as submitted on facility cost reports. Beginning July 1, 2016, facility ages must be reduced in future years if the value of the renovation completed in any year exceeds two thousand dollars times the number of licensed beds. The cost of the renovation must be divided by the accumulated depreciation per bed in the year of the renovation to determine the equivalent number of new replacement beds. The new age for the facility is a weighted average with the replacement bed equivalents reflecting an age of zero and the existing licensed beds, minus the new bed equivalents, reflecting their age in the year of the renovation. At no time may the depreciated age be less than zero or greater than forty-four years.

(f) A nursing facility's capital component rate allocation must be rebased annually, effective July 1, 2016, in accordance with this section and this chapter.

(g) For the purposes of this subsection (5), "RSMeans" means building construction costs data as published by Gordian.

(6) A quality incentive must be offered as a rate enhancement beginning July 1, 2016.

(a) An enhancement no larger than five percent and no less than one percent of the statewide average daily rate must be paid to facilities that meet or exceed the standard established for the quality incentive. All providers must have the opportunity to earn the full quality incentive payment.

(b) The quality incentive component must be determined by calculating an overall facility quality score composed of four to six quality measures. For fiscal year 2017 there shall be four quality measures, and for fiscal year 2018 there shall be six quality measures. Initially, the quality incentive component must be based on minimum data set quality measures for the percentage of long-stay residents who self-report moderate to severe pain, the

percentage of high-risk long-stay residents with pressure ulcers, the percentage of long-stay residents experiencing one or more falls with major injury, and the percentage of long-stay residents with a urinary tract infection. Quality measures must be reviewed on an annual basis by a stakeholder work group established by the department. Upon review, quality measures may be added or changed. The department may risk adjust individual quality measures as it deems appropriate.

(c) The facility quality score must be point based, using at a minimum the facility's most recent available three-quarter average centers for medicare and medicaid services quality data. Point thresholds for each quality measure must be established using the corresponding statistical values for the quality measure point determinants of eighty quality measure points, sixty quality measure points, forty quality measure points, and twenty quality measure points, identified in the most recent available five-star quality rating system technical user's guide published by the centers for medicare and medicaid services.

(d) Facilities meeting or exceeding the highest performance threshold (top level) for a quality measure receive twenty-five points. Facilities meeting the second highest performance threshold receive twenty points. Facilities meeting the third level of performance threshold receive fifteen points. Facilities in the bottom performance threshold level receive no points. Points from all quality measures must then be summed into a single aggregate quality score for each facility.

(e) Facilities receiving an aggregate quality score of eighty percent of the overall available total score or higher must be placed in the highest tier (tier V), facilities receiving an aggregate score of between seventy and seventy-nine percent of the overall available total score must be placed in the second highest tier (tier IV), facilities receiving an aggregate score of between sixty and sixty-nine percent of the overall available total score must be placed in the third highest tier (tier III), facilities receiving an aggregate score of between fifty and fifty-nine percent of the overall available total score must be placed in the fourth highest tier (tier II), and facilities receiving less than fifty percent of the overall available total score must be placed in the lowest tier (tier I).

(f) The tier system must be used to determine the amount of each facility's per patient day quality incentive component. The per patient day quality incentive component for tier IV is seventy-five percent of the per patient day quality incentive component for tier V, the per patient day quality incentive component for tier III is fifty percent of the per patient day quality incentive component for tier V, and the per patient day quality incentive component for tier II is twenty-five percent of the per patient day quality incentive component for tier V. Facilities in tier I receive no quality incentive component.

(g) Tier system payments must be set in a manner that ensures that the entire biennial appropriation for the quality incentive program is allocated.

(h) Facilities with insufficient three-quarter average centers for medicare and medicaid services quality data must be assigned to the tier corresponding to their five-star quality rating. Facilities with a five-star quality rating must be assigned to the highest tier (tier V) and facilities with a one-star quality rating must be assigned to the lowest tier (tier I). The use of a facility's five-star quality rating shall only occur in the case of insufficient centers for medicare and medicaid services minimum data set information.

(i) The quality incentive rates must be adjusted semiannually on July 1 and January 1 of each year using, at a minimum, the most recent available three-quarter average centers for medicare and medicaid services quality data.

(j) Beginning July 1, 2017, the percentage of short-stay

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residents who newly received an antipsychotic medication must be added as a quality measure. The department must determine the quality incentive thresholds for this quality measure in a manner consistent with those outlined in (b) through (h) of this subsection using the centers for medicare and medicaid services quality data.

(k) Beginning July 1, 2017, the percentage of direct care staff turnover must be added as a quality measure using the centers for medicare and medicaid services' payroll-based journal and nursing home facility payroll data. Turnover is defined as an employee departure. The department must determine the quality incentive thresholds for this quality measure using data from the centers for medicare and medicaid services' payroll-based journal, unless such data is not available, in which case the department shall use direct care staffing turnover data from the most recent medicaid cost report.

(7) Reimbursement of the safety net assessment imposed by chapter 74.48 RCW and paid in relation to medicaid residents must be continued.

(8)(a) The direct care and indirect care components must be rebased in even-numbered years, beginning with rates paid on July 1, 2016. Rates paid on July 1, 2016, must be based on the 2014 calendar year cost report. On a percentage basis, after rebasing, the department must confirm that the statewide average daily rate has increased at least as much as the average rate of inflation, as determined by the skilled nursing facility market basket index published by the centers for medicare and medicaid services, or a comparable index. If after rebasing, the percentage increase to the statewide average daily rate is less than the average rate of inflation for the same time period, the department is authorized to increase rates by the difference between the percentage increase after rebasing and the average rate of inflation.

(b) It is the intention of the legislature that direct and indirect care rates paid in fiscal year 2022 will be rebased using the calendar year 2019 cost reports. For fiscal year 2021, in addition to the rates generated by (a) of this subsection, an additional adjustment is provided as established in this subsection (8)(b). Beginning May 1, 2020, and through June 30, 2021, the calendar year costs must be adjusted for inflation by a twenty-four month consumer price index, based on the most recently available monthly index for all urban consumers, as published by the bureau of labor statistics. It is also the intent of the legislature that, starting in fiscal year 2022, a facility-specific rate add-on equal to the inflation adjustment that facilities received solely in fiscal year 2021, must be added to the rate.

(c) To determine the necessity of regular inflationary adjustments to the nursing facility rates, by December 1, 2020, the department shall provide the appropriate policy and fiscal committees of the legislature with a report that provides a review of rates paid in 2017, 2018, and 2019 in comparison to costs incurred by nursing facilities.

(9) The direct care component provided in subsection (3) of this section is subject to the reconciliation and settlement process provided in RCW 74.46.022(6). Beginning July 1, 2016, pursuant to rules established by the department, funds that are received through the reconciliation and settlement process provided in RCW 74.46.022(6) must be used for technical assistance, specialized training, or an increase to the quality enhancement established in subsection (6) of this section. The legislature intends to review the utility of maintaining the reconciliation and settlement process under a price-based payment methodology, and may discontinue the reconciliation and settlement process after the 2017-2019 fiscal biennium.

(10) Compared to the rate in effect June 30, 2016, including all

cost components and rate add-ons, no facility may receive a rate reduction of more than one percent on July 1, 2016, more than two percent on July 1, 2017, or more than five percent on July 1, 2018. To ensure that the appropriation for nursing homes remains cost neutral, the department is authorized to cap the rate increase for facilities in fiscal years 2017, 2018, and 2019.

Sec. 967. RCW 76.04.516 and 2021 c 298 s 3 are each amended to read as follows:

(1) By December 1st of each even-numbered year, and in compliance with RCW 43.01.036, the department must report to the governor and legislature on the following:

(a) The type and amount of the expenditures made, by fiscal year, and for what purpose, from the wildfire response, forest restoration, and community resilience account created in RCW 76.04.511 and from expenditures made from the general fund for implementation of this act;

(b) The amount of unexpended and unobligated funds in the wildfire response, forest restoration, and community resilience account and recommendations for the disbursement to local districts;

(c) Progress on implementation of the wildland fire protection 10-year strategic plan including, but not limited to, how investments are reducing human-caused wildfire starts, lowering the size and scale and geography of catastrophic wildfires, reducing the communities, landscapes, and population at risk, and creating resilient landscapes and communities;

(d) Progress on implementation of the 20-year forest health strategic plan as established through the forest health assessment and treatment framework pursuant to RCW 76.06.200 including, but not limited to: Assessment of fire prone lands and communities that are in need of forest health treatments; forest health treatments prioritized and conducted by landowner type, geography, and risk level; estimated value of any merchantable materials from forest health treatments; and number of acres treated by treatment type, including the use of prescribed fire;

(e) Progress on developing markets for forest residuals and biomass generated from forest health treatments.

(2) The department must include recommendations on any adjustments that may be necessary or advisable to the mechanism of funding dispensation as created under chapter 298, Laws of 2021.

(3) The report required in this section should support existing department assessments pursuant to RCW 79.10.530 and 76.06.200.

(4)(a)(i) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320, the department must hire an independent third-party contractor to assist it in updating its forest inventory by increasing the intensity of forest sample plots on all forestlands over the next two biennium. The department's sustainable harvest calculation technical advisory committee must be involved in the design, development, and implementation of this forest inventory update.

(ii) For purposes of this subsection, "forest inventory" means the collection of sample data to estimate a range of forest attributes including, but not limited to, standing volume, stored carbon, habitat attributes, age classes, tree species, and other inventory attributes, including information needed to estimate rates of tree growth and associated carbon sequestration on department lands.

(iii) The department's sustainable harvest calculation technical advisory committee must bring forward recommendations for regular maintenance and updates to the forest inventory on a ten-year basis.

(b) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320, the

department must hire a third-party contractor to review, analyze, and advise the department's forest growth and yield modeling, specific to all types of forested acres managed by the department. The department's sustainable harvest calculation technical advisory committee must be involved in the design, review, and analysis of the department's forest growth and yield modeling.

(c) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320 and in the absence of any litigation, pending or in progress, against the department's sustainable harvest calculation, the joint legislative audit and review committee established in chapter 44.28 RCW must oversee and conduct an independent review of the methodologies and data being utilized by the department in the development of the sustainable harvest calculation, including the associated forest inventory, forest growth, harvest and yield data, and modeling techniques that impact harvest levels. In carrying out the review, the joint legislative audit and review committee shall:

(i) Retain one or more contractors with expertise in forest inventories, forest growth and yield modeling, and operational research modeling in forest harvest scheduling to conduct the technical review;

(ii) Be a member of department's sustainable harvest calculation technical advisory committee, along with one of its contractors selected in (c)(i) of this subsection; and

(iii) Prior to the department's determination of the sustainable harvest (([calculation])) calculation under RCW 79.10.320, ensure that a completed independent review and report with findings and recommendations is submitted to the board of natural resources and the legislature.

(d) Upon receiving the report from the joint legislative audit and review committee required under (c)(iii) of this subsection, the board of natural resources shall determine whether modifications are necessary to the sustainable harvest calculation prior to approving harvest level under RCW 79.10.320.

NEW SECTION. Sec. 968. 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. 969. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 1 of the title, after "matters;" strike the remainder of the title and insert "amending RCW 28B.92.205, 41.60.050, 41.80.010, 43.31.605, 43.41.450, 43.43.837, 43.70.715, 43.79.505, 43.83B.430, 43.101.435, 43.216.1368, 43.216.270, 43.348.080, 50A.10.030, 70A.200.140, 71.24.580, 74.13.802, 74.46.561, and 76.04.516; amending 2021 c 334 ss 1, 101, 102, 103, 104, 105, 106, 107, 108, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 603, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 701, 702, 704, 705, 706, 718, 723, 724, 744, 745, 746, 748, 753, 801, 802, 803, 805, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 928, 929, 930, 932, 933, 934, 935, 936, 937, 939, 940, 941, 942, 943, 945, 946, 947, 948, and 1002 (uncodified); adding new sections to chapter 43.79 RCW; adding a new section to chapter 43.330 RCW; adding new sections to 2021 c 334 (uncodified); repealing 2021 c 334 ss 730,

731, 732, 733, 734, 735, 736, 737, 749, and 752 (uncodified); making appropriations; and declaring an emergency."

And the bill do pass as recommended by the conference committee.

Signed by Senators Robinson and Rolfes; Representatives Macri and Ormsby.

MOTION

Senator Rolfes moved that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 5693 be adopted.

Senator Rolfes spoke in favor of the motion.

Senators Wilson, L. and Braun spoke against passage of the motion.

The President declared the question before the Senate to be the motion by Senator Rolfes that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 5693 be adopted.

MOTION

On motion of Senator Wagoner, Senator Rivers was excused.

The motion by Senator Rolfes carried and the Report of the Conference Committee was adopted by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5693, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5693, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 29; Nays, 19; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Sheldon, Stanford, Trudeau, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Braun, Brown, Dozier, Fortunato, Gildon, Hawkins, Holy, Honeyford, King, McCune, Muzzall, Padden, Schoesler, Sefzik, Short, Wagoner, Warnick, Wilson, J. and Wilson, L.

Excused: Senator Rivers

ENGROSSED SUBSTITUTE SENATE BILL NO. 5693, as recommended by the Conference Committee, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Rolfes: "Mr. President, I would like to thank people for their, their tremendous efforts from over the last sixty days. If may I proceed?"

President Heck: "Please proceed."

Senator Rolfes: "I want to first thank Senator Robinson for being the best Vice Chair and partner anyone could ask for. I want to thank Senator [Lynda] Wilson and Senator Brown, who I'm really going to miss, on for their work on this, on this effort. And,

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of course, Matt Bridges and Ryan Moore. I also want to thank Jennifer Smolen-Fort and Lily O’Doherty, who were my two new LA’s and had to learn on the job while helping me cover the district while I was writing the budget. They were an awesome team. But I think the folks that most people know about are the Ways and Means Committee member staff. And so, I’d like I like the body to honor them, Mr. President: Susan Howson, James Kettel, Jeff Mitchell, Julie Murray, Michele Alishahi, Shani Bauer, Wendy Brown, Amanda Cecil, Monica Fontaine, and Kayla Hammer. An amazing group of talented analysts and kind and patient people who know how to fly the plane and know how to land it and how to get all the passengers home safely. And then, finally, I’d like to also thank Chris West and Aaron Wasser who are on our communications side, and who constantly coach me on how to try to get people like you all to listen. So, Mr. President, can we please give a round of applause to the people behind the scenes?”

The Senate rose and recognized the staff of the Committee on Ways & Means and other Senate staff and their work during the session.

PERSONAL PRIVILEGE

Senator Honeyford: “Well, thank you, Mr. President. Former Senator Rasmussen once made a statement that everyone needs a horse to ride home on, meaning that they...”

President Heck: “Senator Slim Rasmussen or Senator Marilyn Rasmussen?”

Senator Honeyford: “Senator Marilyn Rasmussen. And I’m here to tell you tonight I don’t have a horse to ride home on. First time in 28 years I have not passed a bill. Which I find disgusting. I had a bill dealing with fentanyl that would have increased penalties for dealers that result in deaths. Didn’t even get a hearing here. The bill to deal with fentanyl test strips passed out of here and didn’t get a hearing in the House. I had other bills, the robbery of pot shops passed out of here. No action in the House. It passed to Rules but that was it. Simple bills like state nickname, no action. Mr. President, I’m sorely disappointed at the partisanship within this body, in this Legislature. And I call it the tyranny of the majority. Thank you.”

REMARKS BY THE PRESIDENT

President Heck: “The President is going to be a lot more constrictive from this point forward this evening on points of personal privilege. That was not a point of personal privilege.”

PERSONAL PRIVILEGE

Senator Wilson, L.: “Thank you Mr. President.

President Heck: “I have my hand on the gavel.”

Senator Wilson, L.: “Thank you. I’m, I’m safe. I’m just want to reiterate what Senator Rolfes said about thanking our staff. She named them all off. I do appreciate, I haven’t worked as closely with them this year that I did last year, but they are amazing group of people. They are very professional and have so much expertise that meant, that we all rely on. And so, I just wanted to make sure that that they knew that we all appreciate them. And my LA and Sharon for being there right beside me. So anyway, thank you so much. And I want to say it’s really wonderful to see everyone

here, in person, on the floor. Thank you.”

PERSONAL PRIVILEGE

Senator Fortunato: “Thank you Mr. President. First, I would like to say to Senator Rolfes, it’s a really hard job putting a budget together. It’s probably harder to let us sit here, or, have her sit there and patiently listen to us complain about all her hard work. I just want to say thank you for all the work you’ve done. Thank you for your graciousness. I still don’t like your budget but you did a great job. [Laughter] Thank you very much.”

PERSONAL PRIVILEGE

Senator Liias: “Thank you Mr. President. Earlier, we passed a number of transportation bills. We were busy and I didn’t take the time to thank the incredible Transportation staff. So, I did, in light of Senator Rolfes’ comments, just want to take the time to thank the amazing people at Senate Committee Services who help us not just write a supplemental transportation budget, but also the move ahead package in sixty days with one staff member down – a vacancy that we have not yet filled. So, I want to thank Kelly Simpson, Hayley Gamble, our newest staff member, Jenna Forty, Danny Masterson, Bryon Moore; our committee staff, Dana and Sha’Niya; our partisan caucus staff Hannah McCarty and Martin Presley. Incredible, incredible work that helped us get a lot of work done. And, since we had a little bit of a moment here, I thought it’d be worthwhile for the Senate to hear their names as well. And to join in appreciation for the great work they did for the people this session.”

The Senate rose and recognized the staff of the Committee on Transportation and other Senate staff and their work during the session.

PERSONAL PRIVILEGE

Senator Brown: “I think I’m talking more in one day than I’ve talked in the decade that I’ve been here but I also wanted to thank Senator Rolfes and Senator Robinson for the incredible work. Senator Rolfes, we had the opportunity to be able to work together for almost a decade, and I just want this entire body to know that no matter, when the balance was different, we have always treated each other with respect and kindness. I have learned so much from Senator Rolfes for how she has conducted herself throughout these negotiations and the frank, open, and honest conversations that we’ve been able to have have been, truly have restored my faith in the process. Of course, to my partner over here, Senator [Lynda] Wilson, it has just been fabulous, has been so much fun digging into the details, learning more and more about it. To our fabulous staff, I also want to say thank you to all those behind the scenes and to the wonderful Ryan Moore wherever he is. Thank you so much to partisan and nonpartisan staff alike because it didn’t matter if somebody from one side of the aisle called on a partisan staffer or a nonpartisan staffer. We were always given the facts and I really, really appreciated that. Thank you.”

PERSONAL PRIVILEGE

Senator Nobles: “Thank you , and I’ll be honest , I don’t truly know the definition of that , but I would like to take a moment to thank Senator Rolfes.”

President Heck: “You’re in broad company, Senator Nobles. [Laughter] Please proceed.”

Senator Nobles: “But I would like to thank Senator Rolfes, this is the end of my first biennium. And I remember, last year and continuing into this year, many folks reached out to me to submit or sponsor for them a budget request. And it might be my own trauma as a Black woman in America, but I just kept thinking, existing in this White institution, like I can't ask these people to give you five million dollars. Like where, I don't, I don't really understand how you expect me to do this. And it made me a little bit nervous to make some of the requests. I would email Senator Rolfes or submit requests and she responded to all of them and would answer questions. And then to see the power as a newer state senator of funds actually showing up in my district or funds showing up for projects or funds just showing up for people. And it really was just a matter of asking. It definitely built my muscle, my courage muscle, my muscle for just asking for what you want and what you need. I'm just very grateful that Senator Rolfes has been such a great listener and a hard worker. I really do commend her for putting together this budget for the people of Washington State. And I just am very grateful for the number of folks who pushed and encourage me to make those asks and to advocate and to go back and ask because some things did not make it in the budget in the initial round. Folks were like, 'Can you send an email?' And I just was so unsure about, if that's how it worked around here. Like, well they said no, so no, but we kept emailing and Senator Rolfes listened to the people. And I just am extremely grateful because Washingtonians win with this budget. And I thank her and Senator Robinson and all of the team of staff members that helped them to put this budget together. So thank you.”

PERSONAL PRIVILEGE

Senator Saldaña: “Thank you Mr. President. Well, I rose for one thing but, listening to people, I'm rising for just a slightly different one because I am very grateful for the men and women that are sitting on the rostrum and that are sitting here on the floor together. I am very grateful that we are able to be here together on the special day, the last day of this session. But it also is, of course, just this week, International Women's Day and this whole month, a day, a month for remembering women's history. I just need to thank the chair and vice chairs, the ranking and the ranking vice chair for balancing a budget, working hard together and showing my daughter and the children of Washington State, the power and the history that you are making today. I don't know if there have been four women that have been the leads for creating the largest, maybe operating budget in the history of Washington State but I think it might be a first and I'm very grateful to be here present to witness that. And it reminds me just to give gratitude for my own mother, Maureen Saldaña, because, while my dad was the one that earned the money, went to work – and I really thought he worked at a factory where they actually made money when I was in kindergarten – but it was my mom that balanced the budget and made sure that we were able to afford a life that so many Washingtonians and people across the country and the world just dream of. That that was a reality for me to be able to have dental care, to be able to play softball as a kid, to be able to have opportunities that we are creating for so many kids today with the budget that these amazing women help spring forward today. So very grateful for that.”

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Randall moved that Juanita D. Richards, Senate Gubernatorial Appointment No. 9110, be confirmed as a member of the Big Bend Community College Board of Trustees.

Senators Randall and Warnick spoke in favor of passage of the motion.

MOTION

On motion of Senator Randall, Senator Van De Wege was excused.

SIGNED BY THE PRESIDENT

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

ENGROSSED SUBSTITUTE SENATE BILL NO. 5693.

APPOINTMENT OF JUANITA D. RICHARDS

The President declared the question before the Senate to be the confirmation of Juanita D. Richards, Senate Gubernatorial Appointment No. 9110, as a member of the Big Bend Community College Board of Trustees.

The Secretary called the roll on the confirmation of Juanita D. Richards, Senate Gubernatorial Appointment No. 9110, as a member of the Big Bend Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 1; Excused, 2.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Absent: Senator Liias

Excused: Senators Rivers and Van De Wege

Juanita D. Richards, Senate Gubernatorial Appointment No. 9110, having received the constitutional majority was declared confirmed as a member of the Big Bend Community College Board of Trustees.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Nobles moved that Megan S. O'Bryan, Senate Gubernatorial Appointment No. 9114, be confirmed as a member of the Skagit Valley College Board of Trustees.

MOTION

On motion of Senator Wilson, C., Senator Liias was excused.

Senators Nobles and Holy spoke in favor of passage of the motion.

MOTION

On motion of Senator Wagoner, Senator Honeyford was excused.

APPOINTMENT OF MEGAN S. O'BRYAN

The President declared the question before the Senate to be the confirmation of Megan S. O'Bryan, Senate Gubernatorial Appointment No. 9114, as a member of the Skagit Valley College Board of Trustees.

The Secretary called the roll on the confirmation of Megan S. O'Bryan, Senate Gubernatorial Appointment No. 9114, as a member of the Skagit Valley College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Liias, Rivers and Van De Wege

Megan S. O'Bryan, Senate Gubernatorial Appointment No. 9114, having received the constitutional majority was declared confirmed as a member of the Skagit Valley College Board of Trustees.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Dhingra moved that Jennifer R. Albright, Senate Gubernatorial Appointment No. 9132, be confirmed as a member of the Sentencing Guidelines Commission.

Senator Dhingra spoke in favor of the motion.

APPOINTMENT OF JENNIFER R. ALBRIGHT

The President declared the question before the Senate to be the confirmation of Jennifer R. Albright, Senate Gubernatorial Appointment No. 9132, as a member of the Sentencing Guidelines Commission.

The Secretary called the roll on the confirmation of Jennifer R. Albright, Senate Gubernatorial Appointment No. 9132, as a member of the Sentencing Guidelines Commission and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Liias, Rivers and Van De Wege

Jennifer R. Albright, Senate Gubernatorial Appointment No. 9132, having received the constitutional majority was declared confirmed as a member of the Sentencing Guidelines Commission.

SIGNED BY THE PRESIDENT

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

SUBSTITUTE HOUSE BILL NO. 1876.

PERSONAL PRIVILEGE

Senator Sheldon: "Thank you Mr. President. It is an addendum to my farewell speech and something I just want to mention to the body. When I started in 1991, I came in with the wonderful lady Rosa Franklin. And I want to just say, I look around this body, the diversity we have in the Senate today is outstanding. It's changed so much in my time here and I just want to compliment every one of you for the diversity we have here and the way that we get along. Thank you very much Sir."

MOTION

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

MESSAGE FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:
The Speaker has signed SUBSTITUTE HOUSE BILL NO. 1876, and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:
The Speaker has signed:
SUBSTITUTE SENATE BILL NO. 5488,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5531,
ENGROSSED SECOND SUBSTITUTE
SENATE BILL NO. 5755,
ENGROSSED SENATE BILL NO. 5901,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5980,
and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

March 10, 2022

MR. PRESIDENT:
The House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1736 and passed the bill as amended by the Senate.
and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Carlyle moved that Chase D. Franklin, Senate Gubernatorial Appointment No. 9163, be confirmed as a member of the Western Washington University Board of Trustees.

Senators Carlyle and Holy spoke in favor of passage of the motion.

APPOINTMENT OF CHASE D. FRANKLIN

The President declared the question before the Senate to be the confirmation of Chase D. Franklin, Senate Gubernatorial Appointment No. 9163, as a member of the Western Washington University Board of Trustees.

The Secretary called the roll on the confirmation of Chase D. Franklin, Senate Gubernatorial Appointment No. 9163, as a member of the Western Washington University Board of Trustees and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Liias, Rivers and Van De Wege

Chase D. Franklin, Senate Gubernatorial Appointment No. 9163, having received the constitutional majority was declared confirmed as a member of the Western Washington University Board of Trustees.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Randall moved that Lura J. Powell, Senate Gubernatorial Appointment No. 9164, be confirmed as a member of the Washington State University Board of Regents.

Senators Randall, Schoesler and Brown spoke in favor of passage of the motion.

APPOINTMENT OF LURA J. POWELL

The President declared the question before the Senate to be the confirmation of Lura J. Powell, Senate Gubernatorial Appointment No. 9164, as a member of the Washington State University Board of Regents.

The Secretary called the roll on the confirmation of Lura J. Powell, Senate Gubernatorial Appointment No. 9164, as a member of the Washington State University Board of Regents and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senators Liias, Rivers and Van De Wege

Lura J. Powell, Senate Gubernatorial Appointment No. 9164, having received the constitutional majority was declared confirmed as a member of the Washington State University Board of Regents.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wellman moved that Nancy K. Fitta, Senate Gubernatorial Appointment No. 9187, be confirmed as a member

of the Washington Center for Deaf and Hard of Hearing Youth. Senator Wellman spoke in favor of the motion.

APPOINTMENT OF NANCY K. FITTA

The President declared the question before the Senate to be the confirmation of Nancy K. Fitta, Senate Gubernatorial Appointment No. 9187, as a member of the Washington Center for Deaf and Hard of Hearing Youth.

The Secretary called the roll on the confirmation of Nancy K. Fitta, Senate Gubernatorial Appointment No. 9187, as a member of the Washington Center for Deaf and Hard of Hearing Youth and the appointment was confirmed by the following vote: Yeas, 45; Nays, 0; Absent, 1; Excused, 3.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frockt, Gildon, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Absent: Senator Hasegawa

Excused: Senators Liias, Rivers and Van De Wege

Nancy K. Fitta, Senate Gubernatorial Appointment No. 9187, having received the constitutional majority was declared confirmed as a member of the Washington Center for Deaf and Hard of Hearing Youth.

MOTION

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

MESSAGE FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:

The Speaker has signed ENGROSSED SUBSTITUTE SENATE BILL NO. 5693.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

On motion of Senator Pedersen, the Senate advanced to the seventh order of business.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Randall moved that Charles C. Stanley, Senate Gubernatorial Appointment No. 9207, be confirmed as a member of the Centralia College Board of Trustees.

Senator Randall spoke in favor of the motion.

APPOINTMENT OF CHARLES C. STANLEY

The President declared the question before the Senate to be the confirmation of Charles C. Stanley, Senate Gubernatorial Appointment No. 9207, as a member of the Centralia College Board of Trustees.

SIXTIETH DAY, MARCH 10, 2022

2022 REGULAR SESSION

The Secretary called the roll on the confirmation of Charles C. Stanley, Senate Gubernatorial Appointment No. 9207, as a member of the Centralia College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

SENATE GUBERNATORIAL APPOINTMENT NO. 9222,
SENATE GUBERNATORIAL APPOINTMENT NO. 9290,
SENATE GUBERNATORIAL APPOINTMENT NO. 9310,
and SENATE GUBERNATORIAL
APPOINTMENT NO. 9333.

Voting yea: Senators Billig, Braun, Brown, Carlyle, Cleveland, Conway, Das, Dhingra, Dozier, Fortunato, Frock, Gildon, Hasegawa, Hawkins, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Sefzik, Sheldon, Short, Stanford, Trudeau, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

REMARKS BY SENATOR PEDERSEN

Senator Pedersen: "Mr. President, if I might, while we're in this brief, waiting for the other body, moment. Mr. President, I just want to express my profound thanks to all of the staff at the rostrum. To our new Secretary of the Senate who has led us through a fabulous session; to all of the Counsel; to the other rostrum staff and to you, Mr. President. For your fairness, for your diligence, your hard work through this last sixty days, Mr. President. As someone new to this job, I cannot tell you how much I appreciate, now even more, all the support that you give to all of us. I hope Mr. President that you will indulge the members in recognizing you and the rostrum staff."

Excused: Senators Liias, Rivers and Van De Wege

Charles C. Stanley, Senate Gubernatorial Appointment No. 9207, having received the constitutional majority was declared confirmed as a member of the Centralia College Board of Trustees.

The Senate rose and recognized the President, the Secretary of the Senate, Senate Counsels, and the Senate rostrum staff and their work during the session.

MOTION

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

MESSAGE FROM THE HOUSE

MESSAGE FROM THE HOUSE

March 10, 2022

March 10, 2022

MR. PRESIDENT:

MR. PRESIDENT:

The House has adopted:

The Speaker has signed:

SENATE CONCURRENT RESOLUTION NO. 8406,
SENATE CONCURRENT RESOLUTION NO. 8407,
and the same are herewith transmitted.
MELISSA PALMER, Deputy Chief Clerk

ENGROSSED SECOND SUBSTITUTE
HOUSE BILL NO. 1736,
and the same are herewith transmitted.
MELISSA PALMER, Deputy Chief Clerk

SIGNED BY THE PRESIDENT

SIGNED BY THE PRESIDENT

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

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

SENATE CONCURRENT RESOLUTION NO. 8406
and SENATE CONCURRENT RESOLUTION NO. 8407.

ENGROSSED SECOND SUBSTITUTE
HOUSE BILL NO. 1736.

MOTION

MESSAGE FROM THE HOUSE

On motion of Senator Pedersen and without objections, the following measures, on the second and third reading calendars and held at the desk, were referred to the Committee on Rules:

MR. PRESIDENT:
The Speaker has signed:

March 10, 2022

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1169,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1175,
HOUSE BILL NO. 1183,
SUBSTITUTE HOUSE BILL NO. 1620,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1660,
HOUSE BILL NO. 1666,
SUBSTITUTE HOUSE BILL NO. 1759,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1770,
SECOND SUBSTITUTE HOUSE BILL NO. 1827,
ENGROSSED HOUSE BILL NO. 1837,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1852,
HOUSE BILL NO. 1928,
ENGROSSED HOUSE BILL NO. 1942,
SUBSTITUTE HOUSE BILL NO. 1958,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2059.
SENATE BILL NO. 5983,
ENGROSSED SENATE BILL NO. 5919,
SENATE GUBERNATORIAL APPOINTMENT NO. 9209,
SENATE GUBERNATORIAL APPOINTMENT NO. 9212,

SENATE CONCURRENT RESOLUTION NO. 8406,
SENATE CONCURRENT RESOLUTION NO. 8407,
and the same are herewith transmitted.
MELISSA PALMER, Deputy Chief Clerk

MOTION

On motion of Senator Pedersen, the reading of the Journal of the sixtieth day of the 2022 Regular Session of the 67th Legislature was dispensed with and it was approved.

March 10, 2022

Mme. SPEAKER:

Under the provisions of SENATE CONCURRENT RESOLUTION NO. 8406, the following House Bills were returned to the House of Representatives:
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1041,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1048,
HOUSE BILL NO. 1105,

ENGROSSED SECOND SUBSTITUTE
 HOUSE BILL NO. 1117,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1141,
 ENGROSSED SECOND SUBSTITUTE
 HOUSE BILL NO. 1162,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1169,
 HOUSE BILL NO. 1172,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1175,
 HOUSE BILL NO. 1183,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1333,
 ENGROSSED HOUSE BILL NO. 1453,
 SUBSTITUTE HOUSE BILL NO. 1508,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1518,
 HOUSE BILL NO. 1611,
 SUBSTITUTE HOUSE BILL NO. 1615,
 SUBSTITUTE HOUSE BILL NO. 1620,
 HOUSE BILL NO. 1625,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1650,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1660,
 HOUSE BILL NO. 1666,
 SUBSTITUTE HOUSE BILL NO. 1684,
 ENGROSSED HOUSE BILL NO. 1687,
 SUBSTITUTE HOUSE BILL NO. 1709,
 SUBSTITUTE HOUSE BILL NO. 1746,
 SUBSTITUTE HOUSE BILL NO. 1759,
 ENGROSSED SECOND SUBSTITUTE
 HOUSE BILL NO. 1760,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1770,
 HOUSE BILL NO. 1780,
 SUBSTITUTE HOUSE BILL NO. 1789,
 HOUSE BILL NO. 1804,
 HOUSE BILL NO. 1808,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1813,
 SECOND SUBSTITUTE HOUSE BILL NO. 1827,
 ENGROSSED HOUSE BILL NO. 1837,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1841,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1852,
 SECOND SUBSTITUTE HOUSE BILL NO. 1865,
 ENGROSSED SECOND SUBSTITUTE
 HOUSE BILL NO. 1868,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1877,
 SECOND SUBSTITUTE HOUSE BILL NO. 1918,
 HOUSE BILL NO. 1920,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1921,
 HOUSE BILL NO. 1924,
 HOUSE BILL NO. 1928,
 ENGROSSED HOUSE BILL NO. 1942,
 SUBSTITUTE HOUSE BILL NO. 1957,
 SUBSTITUTE HOUSE BILL NO. 1958,
 ENGROSSED HOUSE BILL NO. 1964,
 ENGROSSED HOUSE BILL NO. 1973,
 HOUSE BILL NO. 1978,
 HOUSE BILL NO. 2010,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2018,
 SUBSTITUTE HOUSE BILL NO. 2034,
 SECOND SUBSTITUTE HOUSE BILL NO. 2044,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2059,
 ENGROSSED HOUSE BILL NO. 2073,
 HOUSE BILL NO. 2097,
 HOUSE BILL NO. 2098.

MESSAGES FROM THE HOUSE

March 10, 2022

MR. PRESIDENT:
 Under the provisions of SENATE CONCURRENT

RESOLUTION NO. 8406, the following Senate bills are returned to the Senate:

ENGROSSED SECOND SUBSTITUTE
 SENATE BILL NO. 5036,
 ENGROSSED SENATE BILL NO. 5054,
 SUBSTITUTE SENATE BILL NO. 5127,
 SUBSTITUTE SENATE BILL NO. 5148,
 SUBSTITUTE SENATE BILL NO. 5181,
 SENATE BILL NO. 5201,
 ENGROSSED SENATE BILL NO. 5202,
 ENGROSSED SENATE BILL NO. 5309,
 SENATE BILL NO. 5312,
 SECOND SUBSTITUTE SENATE BILL NO. 5342,
 SENATE BILL NO. 5354,
 SECOND SUBSTITUTE SENATE BILL NO. 5406,
 SECOND ENGROSSED SUBSTITUTE
 SENATE BILL NO. 5441,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5459,
 SENATE BILL NO. 5487,
 SENATE BILL NO. 5499,
 SENATE BILL NO. 5506,
 SENATE BILL NO. 5509,
 SENATE BILL NO. 5534,
 SENATE BILL NO. 5552,
 SUBSTITUTE SENATE BILL NO. 5553,
 SENATE BILL NO. 5560,
 SUBSTITUTE SENATE BILL NO. 5572,
 SUBSTITUTE SENATE BILL NO. 5581,
 SENATE BILL NO. 5596,
 ENGROSSED SECOND SUBSTITUTE
 SENATE BILL NO. 5597,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5599,
 SENATE BILL NO. 5607,
 SENATE BILL NO. 5609,
 SUBSTITUTE SENATE BILL NO. 5613,
 SUBSTITUTE SENATE BILL NO. 5620,
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SIXTIETH DAY, MARCH 10, 2022

2022 REGULAR SESSION

SUBSTITUTE SENATE BILL NO. 5880,
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 ENGROSSED SUBSTITUTE SENATE BILL NO. 5942,
 SUBSTITUTE SENATE BILL NO. 5946,
 SUBSTITUTE SENATE BILL NO. 5964,
 SENATE JOINT MEMORIAL NO. 8004,
 and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

March 10, 2022

MR. PRESIDENT:

Under the provisions of SENATE CONCURRENT
 RESOLUTION NO. 8406, the following Senate bills are returned
 to the Senate:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5004,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5082,
 ENGROSSED SECOND SUBSTITUTE
 SENATE BILL NO. 5155,
 SECOND SUBSTITUTE SENATE BILL NO. 5241,
 ENGROSSED SENATE BILL NO. 5264,
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 SUBSTITUTE SENATE BILL NO. 5892,
 SUBSTITUTE SENATE BILL NO. 5900,
 SUBSTITUTE SENATE BILL NO. 5907,
 SENATE BILL NO. 5909,
 SENATE JOINT MEMORIAL NO. 8006,
 and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

At 11:34 p.m., on motion of Senator Pedersen and without
 objection, the 2022 Regular Session of the Sixty-Seventh
 Legislature adjourned SINE DIE.

DENNY HECK, President of the Senate

SARAH BANNISTER, Secretary of the Senate

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