

FIFTY SEVENTH DAY

MORNING SESSION

March 5, 2011

Senate Chamber, Olympia, Monday, March 7, 2011

The Senate was called to order at 9:00 a.m. by President Owen. The Secretary called the roll and announced to the President that all Senators were present with the exception of Senators Holmquist Newbry, Kline and Pflug.

The Sergeant at Arms Color Guard consisting of Pages Amy Johnson and Sean Johnston, presented the Colors. Pastor Erik Wilson Weiberg of First Lutheran Church of Seattle offered the prayer.

MOTION

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

MOTION

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

MESSAGE FROM THE GOVERNOR
GUBERNATORIAL APPOINTMENTS

January 3, 2011

TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

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

DOUG PORTER, appointed May 1, 2010, for the term ending at the governor's pleasure, as Administrator of the Washington State Health Care Authority, Administrator.

Sincerely,

CHRISTINE O. GREGOIRE, Governor

Referred to Committee on Health & Long-Term Care.

MOTION

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

MOTION

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

MESSAGE FROM THE HOUSE

March 5, 2011

MR. PRESIDENT:

The House has passed:

SUBSTITUTE SENATE BILL NO. 5801.

and the same is herewith transmitted.

BARBARA BAKER, Chief Clerk

MESSAGE FROM THE HOUSE

MR. PRESIDENT:

The House has passed:

SUBSTITUTE HOUSE BILL NO. 1042,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1055,
SUBSTITUTE HOUSE BILL NO. 1253,
ENGROSSED HOUSE BILL NO. 1382,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1421,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1487,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1635,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1676,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1725,
HOUSE BILL NO. 1726,
SUBSTITUTE HOUSE BILL NO. 1793,
SUBSTITUTE HOUSE BILL NO. 1854,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1922,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1967,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2002.

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

MESSAGE FROM THE HOUSE

March 5, 2011

MR. PRESIDENT:

The House has passed:

SUBSTITUTE HOUSE BILL NO. 1046,
SUBSTITUTE HOUSE BILL NO. 1167,
SUBSTITUTE HOUSE BILL NO. 1257,
SUBSTITUTE HOUSE BILL NO. 1384,
HOUSE BILL NO. 1473,
SUBSTITUTE HOUSE BILL NO. 1483,
HOUSE BILL NO. 1694,
SUBSTITUTE HOUSE BILL NO. 1700,
SUBSTITUTE HOUSE BILL NO. 1861,
SUBSTITUTE HOUSE BILL NO. 1897,
SUBSTITUTE HOUSE BILL NO. 1933,
SUBSTITUTE HOUSE BILL NO. 1966.

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

MESSAGE FROM THE HOUSE

March 5, 2011

MR. PRESIDENT:

The House has passed:

SUBSTITUTE HOUSE BILL NO. 1135,
HOUSE BILL NO. 1179,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1224,
HOUSE BILL NO. 1347,
ENGROSSED HOUSE BILL NO. 1409,
SUBSTITUTE HOUSE BILL NO. 1518,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1716,
SUBSTITUTE HOUSE BILL NO. 1718,
HOUSE BILL NO. 1770,
HOUSE BILL NO. 1805,
SUBSTITUTE HOUSE BILL NO. 1860,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1902,
SUBSTITUTE HOUSE BILL NO. 1998.

and the same are herewith transmitted.

BARBARA BAKER, Chief Clerk

MOTION

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

INTRODUCTION AND FIRST READING

SB 5867 by Senators White, King, Ranker, Swecker, Morton, Litzow, Kilmer, Fain, Delvin, Parlette and Holmquist Newbry

AN ACT Relating to increasing off-road fuel tax refunds; amending RCW 46.10.530 and 79A.25.070; reenacting and amending RCW 46.09.520; and providing an effective date.

Referred to Committee on Transportation.

SB 5868 by Senators Tom and Zarelli

AN ACT Relating to tuition fees for students with excess credits or prior degrees; and adding a new section to chapter 28B.15 RCW.

Referred to Committee on Higher Education & Workforce Development.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

ESHB 1009 by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Chandler, Blake, Takko, Kretz, Taylor, Orcutt, McCune and Pearson)

AN ACT Relating to the authority of state agencies to enter into agreements with the federal government under the endangered species act; adding a new section to chapter 77.12 RCW; adding a new section to chapter 43.30 RCW; adding a new section to chapter 43.21A RCW; and adding a new section to chapter 79A.05 RCW.

Referred to Committee on Natural Resources & Marine Waters.

ESHB 1041 by House Committee on Judiciary (originally sponsored by Representatives Green, Angel, Goodman, McCune, Kelley, Hope, Dammeier, Warnick, Blake, Hurst, Moeller and Upthegrove)

AN ACT Relating to including correctional employees who have completed government-sponsored law enforcement firearms training to the lists of law enforcement personnel that are exempt from certain firearm restrictions; amending RCW 9.41.060 and 9.41.300; and adding a new section to chapter 9.41 RCW.

Referred to Committee on Judiciary.

ESHB 1094 by House Committee on Local Government (originally sponsored by Representatives Kretz, Blake, Taylor, Shea, Short, Haler and McCune)

AN ACT Relating to providing a process for county legislative authorities to withdraw from voluntary planning

under the growth management act; and amending RCW 36.70A.040 and 36.70A.060.

Referred to Committee on Government Operations, Tribal Relations & Elections.

HB 1184 by Representatives Maxwell, Orcutt, Kenney, Finn, Smith, Ryu, Goodman, Asay, Tharinger, Alexander, Pedersen, Appleton, Kelley, Eddy, Van De Wege, Sullivan, Dammeier, Angel, Seaquist, Clibborn, Bailey, Upthegrove, Rolfes, Carlyle and Frockt

AN ACT Relating to clarifying that the basis for business and occupation tax for real estate firms is the commission amount received by each real estate firm involved in a transaction; amending RCW 82.04.255; and creating new sections.

Referred to Committee on Ways & Means.

ESHB 1220 by House Committee on Health Care & Wellness (originally sponsored by Representatives Rolfes, Cody, Appleton, Frockt, Hinkle, Liias, Fitzgibbon, Jinkins, Hunt, Van De Wege, Moeller and Kenney)

AN ACT Relating to regulating insurance rates; amending RCW 48.02.120; and adding a new section to chapter 48.43 RCW.

Referred to Committee on Health & Long-Term Care.

ESHB 1311 by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Jinkins, Bailey, Green, Clibborn, Appleton, Moeller, Frockt, Seaquist and Dickerson)

AN ACT Relating to establishing a public/private collaborative to improve health care quality, cost-effectiveness, and outcomes in Washington state; amending RCW 70.250.010 and 70.250.030; adding a new section to chapter 70.250 RCW; creating a new section; and repealing RCW 70.250.020.

Referred to Committee on Health & Long-Term Care.

HB 1381 by Representatives Warnick, Blake, Hinkle, Taylor, Haler, McCune, Armstrong, Condotta, Johnson, Parker and Shea

AN ACT Relating to sufficient cause for the nonuse of water; amending RCW 90.14.140; reenacting and amending RCW 90.14.140; providing an effective date; and providing an expiration date.

Referred to Committee on Environment, Water & Energy.

HB 1412 by Representatives Santos, Dammeier, Probst, Liias, Kelley, Kenney and Van De Wege

AN ACT Relating to high school mathematics end-of-course assessments; amending RCW 28A.655.066; and creating a new section.

Referred to Committee on Early Learning & K-12 Education.

SHB 1431 by House Committee on Education (originally sponsored by Representatives Anderson and Haigh)

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AN ACT Relating to addressing financial insolvency of school districts; and creating new sections.

Referred to Committee on Early Learning & K-12 Education.

ESHB 1469 by House Committee on Local Government (originally sponsored by Representatives Springer, Rodne, Tharinger, Carlyle, Eddy, Dammeier, Lias, Fitzgibbon, Goodman, Zeiger, Upthegrove, Sullivan, Reykdal and Smith)

AN ACT Relating to landscape conservation and local infrastructure; amending RCW 36.70A.080; adding a new chapter to Title 39 RCW; and creating a new section.

Referred to Committee on Government Operations, Tribal Relations & Elections.

ESHB 1478 by House Committee on Local Government (originally sponsored by Representatives Springer, Asay, Takko, Orcutt, Haler, Rivers, Eddy, Hunt, Klippert, Sullivan, Goodman, Clibborn, Armstrong, Probst, Jacks, Johnson and Kenney)

AN ACT Relating to fiscal relief for cities and counties during periods of economic downturn by delaying or modifying certain regulatory and statutory requirements; amending RCW 36.70A.215, 43.19.648, 43.325.080, 46.68.113, 82.02.070, 82.02.080, 90.46.015, 90.48.260, 90.58.080, and 90.58.090; reenacting and amending RCW 36.70A.130; and creating a new section.

Referred to Committee on Government Operations, Tribal Relations & Elections.

ESHB 1509 by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Blake, Dunshee and Ryu)

AN ACT Relating to the forestry riparian easement program; amending RCW 76.13.120, 76.13.140, and 76.13.160; adding a new section to chapter 76.13 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Natural Resources & Marine Waters.

EHB 1517 by Representatives Jinkins, Hinkle, Green, Harris and Stanford

AN ACT Relating to requiring comparable coverage for patients who require orally administered anticancer medication; adding a new section to chapter 41.05 RCW; adding a new section to chapter 48.20 RCW; adding a new section to chapter 48.21 RCW; adding a new section to chapter 48.44 RCW; adding a new section to chapter 48.46 RCW; and creating a new section.

Referred to Committee on Health & Long-Term Care.

SHB 1560 by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody and Jinkins)

AN ACT Relating to the health insurance partnership; and amending RCW 70.47A.020, 70.47A.030, 70.47A.050, and 70.47A.110.

Referred to Committee on Health & Long-Term Care.

SHB 1563 by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Hinkle, Moeller, Green and Kenney)

AN ACT Relating to establishing uniformity in the protection of health-related information; amending RCW 70.02.050; reenacting and amending RCW 70.24.105, 71.05.390, and 71.05.630; creating a new section; and repealing RCW 70.24.450.

Referred to Committee on Health & Long-Term Care.

SHB 1575 by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Green, Van De Wege, Moeller and Jinkins)

AN ACT Relating to clarifying which surgical facilities the Washington state department of health is mandated to license pursuant to chapter 70.230 RCW; amending RCW 70.230.010 and 70.230.040; adding a new section to chapter 70.230 RCW; and providing an effective date.

Referred to Committee on Health & Long-Term Care.

E2SHB 1634 by House Committee on General Government Appropriations & Oversight (originally sponsored by Representatives Takko, Angel, Morris and Armstrong)

AN ACT Relating to underground utilities; amending RCW 19.122.010, 19.122.020, 19.122.027, 19.122.030, 19.122.033, 19.122.035, 19.122.040, 19.122.050, 19.122.070, 19.122.075, 19.122.080, 19.122.100, and 19.122.110; adding new sections to chapter 19.122 RCW; prescribing penalties; providing an effective date; and providing expiration dates.

Referred to Committee on Environment, Water & Energy.

HB 1649 by Representatives Jinkins, Pedersen, Kenney, Pettigrew, Ladenburg, Lytton, Stanford, Billig, Ryu, Lias, Seaquist, Darneille, Dickerson, Dunshee, Fitzgibbon, Upthegrove, Reykdal, Finn, Moscoso, Takko, Rolfes, Clibborn, Jacks, Morris, Cody, Roberts, Orwall, Green, Van De Wege, Ormsby, Hudgins, Sells, Kelley, Blake, Appleton, Kagi, Santos, Hurst, Kirby, Eddy, Probst, Springer, Miloscia, Maxwell, Sullivan, Goodman, Frockt, Carlyle, Haigh, Moeller, Hunter, Tharinger, Hunt, McCoy and Hasegawa

AN ACT Relating to giving legal effect to domestic partnerships; and amending RCW 26.60.090 and 1.12.080.

Referred to Committee on Government Operations, Tribal Relations & Elections.

2SHB 1662 by House Committee on General Government Appropriations & Oversight (originally sponsored by Representatives Takko, Rodne and Angel)

AN ACT Relating to appeal and permit procedures under the shoreline management act; and amending RCW 90.58.140.

Referred to Committee on Natural Resources & Marine Waters.

ESHB 1701 by House Committee on Labor & Workforce Development (originally sponsored by Representatives Ormsby, Green, Sells, Kenney, Van De Wege, Hasegawa, Hudgins, Moeller, Miloscia, Sullivan, Upthegrove, Pettigrew, Seaquist, Hunter and Frockt)

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

Referred to Committee on Labor, Commerce & Consumer Protection.

EHB 1702 by Representatives Liias, Rodne, Angel, Springer, Eddy, Smith, Anderson, Clibborn, Stanford and Takko

AN ACT Relating to establishing a process for the payment of impact fees through provisions stipulated in recorded covenants; amending RCW 82.02.050 and 36.70A.070; and providing an expiration date.

Referred to Committee on Financial Institutions, Housing & Insurance.

ESHB 1708 by House Committee on Labor & Workforce Development (originally sponsored by Representative Moeller)

AN ACT Relating to mechanics' and materialmen's claims of liens; amending RCW 60.04.091, 60.04.171, and 60.04.900; and adding a new section to chapter 60.04 RCW.

Referred to Committee on Labor, Commerce & Consumer Protection.

ESHB 1737 by House Committee on Health Care & Wellness (originally sponsored by Representatives Short, Seaquist and Schmick)

AN ACT Relating to the department of social and health services' audit program for pharmacy payments; amending RCW 74.09.200; adding a new section to chapter 74.09 RCW; and creating new sections.

Referred to Committee on Health & Long-Term Care.

ESHB 1740 by House Committee on Health Care & Wellness (originally sponsored by Representatives Cody, Schmick, Jinkins and Hinkle)

AN ACT Relating to the creation of a health benefit exchange; adding new sections to chapter 41.05 RCW; and creating new sections.

Referred to Committee on Health & Long-Term Care.

SHB 1782 by House Committee on Early Learning & Human Services (originally sponsored by Representatives

Hinkle, Kagi, Orcutt, Hunter, Rodne, Carlyle, Armstrong, Pettigrew, Haler, Green, Angel, Ross, Van De Wege, Bailey, Kenney, Ahern, Ryu, Crouse, Short, Eddy, Nealey, Finn, DeBolt, Condotta, Moeller, Sullivan, Darneille, McCune, Buys, Dahlquist, Alexander, Fagan, Johnson, Sells, Overstreet, Maxwell, Seaquist, Haigh, Blake, Hargrove, Dickerson, Rivers, McCoy, Schmick, Santos, Smith, Zeiger, Tharinger, Wilcox, Dammeier, Rolfes, Warnick, Liias, Kretz, Cody, Parker, Probst, Taylor, Fitzgibbon, Reykdal, Shea, Goodman, Asay, Stanford, Klippert, Walsh, Moscoso, Harris, Takko, Kristiansen, Jacks, Roberts, Orwall, Hasegawa, Ladenburg, Jinkins, Hunt, Billig, Ormsby, Upthegrove, Hudgins, Frockt, Appleton, Dunshee, Kelley, Pedersen and Miloscia)

AN ACT Relating to constraints of expenditures for WorkFirst and child care programs; and amending RCW 74.08A.340.

Referred to Committee on Human Services & Corrections.

ESHB 1790 by House Committee on Ways & Means (originally sponsored by Representatives Dammeier, Sullivan, Hinkle, Green and Ormsby)

AN ACT Relating to school district contracts with direct practice health providers; and amending RCW 28A.400.280 and 28A.400.350.

Referred to Committee on Ways & Means.

E2SHB 1792 by House Committee on Ways & Means (originally sponsored by Representatives Sells, Hope, Dunshee, Haler, McCoy, Moscoso and Liias)

AN ACT Relating to expanding opportunities in higher education in north Puget Sound; amending RCW 28B.50.795; adding a new section to chapter 28B.30 RCW; creating a new section; and repealing RCW 28B.50.901.

Referred to Committee on Higher Education & Workforce Development.

2SHB 1803 by House Committee on Capital Budget (originally sponsored by Representatives Chandler, Van De Wege, Blake, Kretz and Warnick)

AN ACT Relating to modifying the Columbia river basin management program to prospectively maximize investment tools; amending RCW 90.90.010, 90.90.020, and 90.90.040; reenacting and amending RCW 43.84.092; adding new sections to chapter 90.90 RCW; and creating a new section.

Referred to Committee on Environment, Water & Energy.

SHB 1858 by House Committee on Early Learning & Human Services (originally sponsored by Representatives Roberts, Parker, Kagi, Dickerson, Goodman, Lytton, Jacks, Probst, Walsh, Carlyle, Kenney and Ormsby)

AN ACT Relating to the department of social and health services' authority with regard to semi-secure and secure crisis residential centers and HOPE centers; and amending RCW 74.13.032, 74.15.220, and 74.15.255.

Referred to Committee on Human Services & Corrections.

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HB 1875 by Representatives Taylor, DeBolt and McCune

AN ACT Relating to water recreation facilities; and amending RCW 70.90.140.

Referred to Committee on Health & Long-Term Care.

E2SHB 1901 by House Committee on Health & Human Services Appropriations & Oversight (originally sponsored by Representatives Cody and Hinkle)

AN ACT Relating to reshaping the delivery of long-term care services; amending RCW 18.20.020, 18.20.030, and 18.52.030; reenacting and amending RCW 70.127.040; adding a new section to chapter 18.20 RCW; adding a new section to chapter 74.42 RCW; and creating new sections.

Referred to Committee on Health & Long-Term Care.

HB 1953 by Representatives Springer, Asay, Takko, Uptegrove, Haler, Fitzgibbon, Angel, Smith and Sullivan

AN ACT Relating to county and city real estate excise taxes; amending RCW 82.46.010 and 82.46.035; reenacting and amending RCW 82.46.035; providing an effective date; and providing an expiration date.

Referred to Committee on Government Operations, Tribal Relations & Elections.

EHB 1969 by Representatives Hasegawa and Springer

AN ACT Relating to the exemption of flood control zone districts that are coextensive with a county from certain limitations upon regular property tax levies; amending RCW 84.52.010 and 84.52.043; adding a new section to chapter 84.52 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Government Operations, Tribal Relations & Elections.

SHB 1997 by House Committee on Ways & Means (originally sponsored by Representatives Orwall, Kenney, Goodman, Fitzgibbon, Maxwell, Santos and Pedersen)

AN ACT Relating to providing economic development by funding tourism promotion, workforce housing, art and heritage programs, and community development; amending RCW 67.28.180, 82.14.049, 82.14.360, 36.38.010, and 36.100.220; and adding a new section to chapter 67.28 RCW.

Referred to Committee on Economic Development, Trade & Innovation.

ESHCR 4404 by House Committee on Health Care & Wellness (originally sponsored by Representatives Schmick, Cody, Hinkle and Frockt)

Referred to Committee on Health & Long-Term Care.

MOTION

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

MOTION

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

MOTION

On motion of Senator Ericksen, Senators Benton, Pflug and Stevens were excused.

SECOND READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Shin moved that Gubernatorial Appointment No. 9034, Sharon Fairchild, as a member of the State Board for Community and Technical Colleges, be confirmed.

Senator Shin spoke in favor of the motion.

MOTION

On motion of Senator Ericksen, Senator Holmquist Newbry was excused.

APPOINTMENT OF SHARON FAIRCHILD

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9034, Sharon Fairchild as a member of the State Board for Community and Technical Colleges.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9034, Sharon Fairchild as a member of the State Board for Community and Technical Colleges and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 1; Excused, 2.

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

Absent: Senator Kline

Excused: Senators Holmquist Newbry and Pflug

Gubernatorial Appointment No. 9034, Sharon Fairchild, having received the constitutional majority was declared confirmed as a member of the State Board for Community and Technical Colleges.

MOTION

On motion of Senator White, Senator Kline was excused.

SECOND READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Regala moved that Gubernatorial Appointment No. 9009, Charley Bingham, as a member of the Higher Education Coordinating Board, be confirmed.

Senator Regala spoke in favor of the motion.

APPOINTMENT OF CHARLEY BINGHAM

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9009, Charley Bingham as a member of the Higher Education Coordinating Board.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9009, Charley Bingham as a member of the Higher Education Coordinating Board and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

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

Excused: Senators Holmquist Newbry and Pflug

Gubernatorial Appointment No. 9009, Charley Bingham, having received the constitutional majority was declared confirmed as a member of the Higher Education Coordinating Board.

SECOND READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Pridemore moved that Gubernatorial Appointment No. 9088, Royce Pollard, as a member of the Board of Trustees, Clark Community College District No. 14, be confirmed.

Senator Pridemore spoke in favor of the motion.

APPOINTMENT OF ROYCE POLLARD

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9088, Royce Pollard as a member of the Board of Trustees, Clark Community College District No. 14.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9088, Royce Pollard as a member of the Board of Trustees, Clark Community College District No. 14 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

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

Excused: Senator Holmquist Newbry

Gubernatorial Appointment No. 9088, Royce Pollard, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Clark Community College District No. 14.

MOTION

At 9:31 a.m., on motion of Senator Eide, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 9:38 a.m. by President Owen.

MOTION

On motion of Senator Eide, the Senate advanced to the eighth order of business.

MOTION

Senator Hewitt moved adoption of the following resolution:

SENATE RESOLUTION 8615

By Senators Hewitt, Delvin, Morton, Swecker, King, Schoesler, Litzow, Hill, Conway, Honeyford, Ericksen, Carrell, McAuliffe, Becker, Kohl-Welles, Parlette, Fraser, Hatfield, Prentice, White, and Holmquist Newbry

WHEREAS, Jeannette Hayner was born in 1919 in Portland, Oregon, just one year prior to women receiving the national right to vote; and

WHEREAS, Upon receiving her bachelor of arts from the University of Oregon, Jeannette Hayner was one of two women to graduate from the University of Oregon Law School in 1942; and

WHEREAS, Jeannette Hayner was accomplished in her personal life, marrying fellow University of Oregon Law School graduate and WWII veteran H.H. "Dutch" Hayner and raising three children; and

WHEREAS, Jeannette Hayner chose to pursue politics, first becoming an active member of the Walla Walla school board then running for the open seat in the State Legislature in 1972; and

WHEREAS, After defeating three opponents, Jeannette Hayner took her seat in the House of Representatives in 1973, she then ran successfully for an open seat in the Senate, and she would run and be reelected every four years until her retirement in 1992; and

WHEREAS, Jeannette Hayner became the Senate Republican Leader in 1979, and Senate Majority Leader in 1981, the first woman to ever hold the title, and she would continue to proudly lead her fellow Republicans for the following 13 years; and

WHEREAS, During her 20-year career with the Legislature, Jeannette Hayner did not shy away from responsibility, showing constant wisdom and strength, taking initiative in creating the infamous "Rule of 13" where a simple majority of 13 caucus members would bind all the rest to the decision; and

WHEREAS, Jeannette Hayner, even after her passing, provides the women of Washington with great hope for heightened representation and the continued success of women in a position of political influence;

NOW, THEREFORE, BE IT RESOLVED, That it is with great respect, that the Washington State Senate remember and honor the accomplishments, courage, and excellence of character exemplified by former Senate Majority Leader Jeannette Hayner.

Senators Hewitt, Prentice, Roach, Fraser, Rockefeller, Kohl-Welles, Sheldon and Parlette spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8615.

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The motion by Senator Hewitt carried and the resolution was adopted by voice vote.

MOTION

At 9:59 a.m., on motion of Senator Eide, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 11:20 a.m. by President Owen.

MOTION

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

SECOND READING

SENATE BILL NO. 5852, by Senators Hewitt and Brown

Addressing the public employment of retirees from plan 1 of the teachers' retirement system and plan 1 of the public employees' retirement system.

The measure was read the second time.

MOTION

On motion of Senator Brown, the rules were suspended, Senate Bill No. 5852 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Brown, Schoesler and Conway spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5852.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5852 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SENATE BILL NO. 5852, 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

SENATE BILL NO. 5494, by Senators Brown, Zarelli and Shin

Addressing the default investment option available to new members of the plan 3 retirement systems.

The measure was read the second time.

MOTION

On motion of Senator Brown, the rules were suspended, Senate Bill No. 5494 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Brown and Zarelli spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5494.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5494 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SENATE BILL NO. 5494, 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

SENATE BILL NO. 5596, by Senators Parlette, Zarelli, Becker and Hewitt

Requiring the department of social and health services to submit a demonstration waiver request to revise the federal medicaid program.

MOTION

On motion of Senator Parlette, Second Substitute Senate Bill No. 5596 was substituted for Senate Bill No. 5596 and the second substitute bill was placed on the second reading and read the second time.

MOTION

Senator Keiser moved that the following amendment by Senator Keiser be adopted:

On page 3, line 25, after "caps" insert "; and (h) The development of an alternative payment methodology for federally qualified health centers and rural health clinics that enables capitated or global payment of enhanced payments"

Senators Keiser and Zarelli spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Keiser on page 3, line 25 to Second Substitute Senate Bill No. 5596.

The motion by Senator Keiser carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Parlette, the rules were suspended, Engrossed Second Substitute Senate Bill No. 5596 was advanced

to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Parlette and Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 5596.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5596 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5596, 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

SENATE BILL NO. 5605, by Senator Hargrove

Limiting liability for specified state workers for errors of judgment. Revised for 1st Substitute: Limiting governmental liability for various activities.

MOTION

On motion of Senator Hargrove, Substitute Senate Bill No. 5605 was substituted for Senate Bill No. 5605 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Hargrove moved that the following striking amendment by Senators Hargrove and Stevens be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 26.44.010 and 1999 c 176 s 27 are each amended to read as follows:

The Washington state legislature finds and declares: The bond between a child and his or her parent, custodian, or guardian is of paramount importance, and any intervention into the life of a child is also an intervention into the life of the parent, custodian, or guardian; however, instances of nonaccidental injury, neglect, death, sexual abuse and cruelty to children by their parents, custodians or guardians have occurred, and in the instance where a child is deprived of his or her right to conditions of minimal nurture, health, and safety, the state is justified in emergency intervention based upon verified information; and therefore the Washington state legislature hereby provides for the reporting of such cases to the appropriate public authorities. It is the intent of the legislature that, as a result of such reports, protective services shall be made available in an effort to prevent further abuses, and to safeguard the general welfare of such children(~~(: PROVIDED, That such)),~~ When the child's interests of basic nurture, physical and mental

health, and safety conflict with the parents' interests, the interests of the child should prevail. When determining whether a parent and child should be separated during or immediately following an investigation of alleged child abuse or neglect, the safety of the child shall be the department's paramount concern. Reports of child abuse and neglect shall be maintained and disseminated with strictest regard for the privacy of the subjects of such reports and so as to safeguard against arbitrary, malicious or erroneous information or actions(~~(: PROVIDED FURTHER, That)),~~ This chapter shall not be construed to authorize interference with child-raising practices, including reasonable parental discipline, which are not proved to be injurious to the child's health, welfare and safety.

NEW SECTION. Sec. 2. A new section is added to chapter 4.24 RCW to read as follows:

(1) No governmental entity or its officers, agents, employees, and volunteers, shall be criminally or civilly liable for performing duties pursuant to chapter 26.44 RCW with regard to investigating allegations of child abuse or neglect if such duties were performed without gross negligence.

(2) The duty to conduct a reasonable investigation of child abuse or neglect upon a referral runs only to children who are the subject of a referral under chapter 26.44 RCW.

(3) The department and its employees shall comply with the orders of the court, including shelter care and other dependency orders, and are not liable for acts performed to comply with such court orders. In providing reports and recommendations to the court, caseworkers are entitled to the same witness immunity as would be provided to any other witness.

(4) Nothing in this section diminishes any immunity or defense that may otherwise be applicable to the governmental entity or its past or present employees.

NEW SECTION. Sec. 3. A new section is added to chapter 4.24 RCW to read as follows:

(1) No governmental entity or its officers, agents, employees, and volunteers, shall be criminally or civilly liable for performing duties with regard to the supervision of offenders so long as the duties were performed without gross negligence.

(2) For the purposes of this section, supervision includes any type of community-based supervision including, but not limited to, probation, parole, community custody, community placement, community supervision, and postrelease supervision.

(3) Nothing in this section diminishes any immunity or defense that may otherwise be applicable to the governmental entity or its past or present employees."

Senator Hargrove spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Hargrove and Stevens to Substitute Senate Bill No. 5605.

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

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 1 of the title, after "liability;" strike the remainder of the title and insert "amending RCW 26.44.010; and adding new sections to chapter 4.24 RCW."

MOTION

On motion of Senator Hargrove, the rules were suspended, Engrossed Substitute Senate Bill No. 5605 was advanced to third

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reading, the second reading considered the third and the bill was placed on final passage.

Senator Stevens spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5605.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5605 and the bill passed the Senate by the following vote: Yeas, 40; Nays, 9; Absent, 0; Excused, 0.

Voting yea: Senators Baxter, Becker, Brown, Carrell, Chase, Conway, Delvin, Eide, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hobbs, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Prentice, Pridemore, Ranker, Regala, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senators Baumgartner, Benton, Ericksen, Fain, Hill, Holmquist Newbry, Honeyford, Pflug and Roach

ENGROSSED SUBSTITUTE SENATE BILL NO. 5605, 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

SENATE BILL NO. 5485, by Senators Hargrove and Ranker

Maximizing the use of our state's natural resources.

MOTION

On motion of Senator Hargrove, Substitute Senate Bill No. 5485 was substituted for Senate Bill No. 5485 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Hargrove moved that the following striking amendment by Senators Hargrove and Rockefeller be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that research has shown the importance of reducing environmental impacts through building design. The primary focus on building designs has been an attempt to reduce energy requirements, primarily heating and cooling, over the course of a building's lifetime. However, what has been overlooked are opportunities to reduce greenhouse gas emissions and other environmental impacts at earlier stages in the building and construction design process. The selection of building materials and products, such as using wood and wood products in the design stage, provides substantial opportunities to reduce lifetime greenhouse gas emissions. A key component of life-cycle cost analysis is the energy expended in the extraction, transportation, manufacturing, and production of the building materials being considered in the construction of buildings.

NEW SECTION. Sec. 2. (1) The University of Washington, in conjunction with a nonprofit consortium involved in research on renewable industrial materials, in consultation with the state building code council, shall conduct a review of other states' existing codes, international standards, and literature on life-cycle

assessment, embodied energy, and embodied carbon in building materials.

(2) By July 2012, the University of Washington, in conjunction with a nonprofit consortium involved in research on renewable industrial materials, shall make recommendations to the legislature for methodologies to: (1) Conduct an assessment and determine the amount of embodied energy and carbon in building materials or greenhouse gas emissions avoided by using building materials with low-embodied energy or carbon; and (2) develop a comprehensive guideline using a common and consistent metric for the embodied energy and carbon in building materials. The University of Washington, in conjunction with a nonprofit consortium involved in research on renewable industrial materials, shall seek input from building materials industries and other interested parties when developing its recommendations. The department of general administration shall make recommendations for streamlining current statutory requirements for life-cycle cost analysis, energy conservation in design, and high performance of public buildings."

Senator Hargrove spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senators Hargrove and Rockefeller to Substitute Senate Bill No. 5485.

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

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 2 of the title, after "resources;" strike the remainder of the title and insert "and creating new sections."

MOTION

On motion of Senator Hargrove, the rules were suspended, Engrossed Substitute Senate Bill No. 5485 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hargrove spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5485.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5485 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 5; Absent, 0; Excused, 0.

Voting yea: Senators Baxter, Becker, Benton, Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Prentice, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senators Baumgartner, Carrell, Delvin, Ericksen and Fain

ENGROSSED SUBSTITUTE SENATE BILL NO. 5485, 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

SENATE BILL NO. 5457, by Senators White, Shin, Murray, Kohl-Welles, Harper, Nelson, Keiser, Prentice, Kline and McAuliffe

Providing a congestion reduction charge to fund the operational and capital needs of transit agencies.

MOTION

On motion of Senator White, Substitute Senate Bill No. 5457 was substituted for Senate Bill No. 5457 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Sheldon moved that the following amendment by Senator Sheldon be adopted:

On page 2, line 18, strike "or the voters within that county may impose by majority vote" and insert "may impose, if approved by a majority of the voters within that county or a two thirds majority of the governing body,"

Senator Sheldon spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Sheldon on page 2, line 18 to Substitute Senate Bill No. 5457.

The motion by Senator Sheldon carried and the amendment was adopted by voice vote.

MOTION

Senator King moved that the following amendment by Senator King be adopted:

On page 2, line 33, after "expended" strike "in a manner consistent with the recommendations of the regional transit task force" and insert "exclusively for "highway purposes" as that term is construed in Article II, section 40 of the state Constitution"

Senator King spoke in favor of adoption of the amendment.

Senator White spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator King on page 2, line 23 to Substitute Senate Bill No. 5457.

The motion by Senator King failed and the amendment was not adopted by voice vote.

MOTION

Senator King moved that the following amendment by Senator King be adopted:

On page 3, at the beginning of line 38, strike all material through "first" on line 38

On page 4, line 2, after "June 30," strike "2014" and insert "2017"

On page 4, line 7, after "December 31," strike "2014" and insert "2017"

On page 4, after line 29, insert the following:

"NEW SECTION. Sec. 4. This act takes effect June 30, 2015."

On page 1, line 4 of the title, after "section;" insert "providing an effective date;"

Senator King spoke in favor of adoption of the amendment.

Senator White spoke against adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator King on page 3, line 38 to Substitute Senate Bill No. 5457.

The motion by Senator King failed and the amendment was not adopted by voice vote.

MOTION

Senator Benton moved that the following amendment by Senator Benton be adopted.

On page 2, line 18, strike " or the voters within that county may impose by majority vote" and insert "may impose, if approved by a majority of the voters within that county."

Senators Benton and Pflug spoke in favor of adoption of the amendment.

Senator White spoke against adoption of the amendment.

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 Benton on page 2, line 18 to Substitute Senate Bill No. 5457.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Benton and the amendment was not adopted by the following vote: Yeas, 22; Nays, 27; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Delvin, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Litzow, Morton, Pflug, Roach, Schoesler, Stevens, Swecker, Tom and Zarelli

Voting nay: Senators Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Hatfield, Haugen, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Parlette, Prentice, Pridemore, Ranker, Regala, Rockefeller, Sheldon, Shin and White

MOTION

Senator King moved that the following striking amendment by Senator King be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes that public transportation provides many benefits to the citizens of the state and the environment, including through public transportation's ability to alleviate congestion and offset the burdens placed by general vehicular traffic on the state's transportation infrastructure. In these challenging economic times, many transit agencies find themselves struggling to continue to provide a level of service that reduces congestion.

It is the intent of the legislature that any county that has assumed the rights, powers, functions, and obligations of a metropolitan municipal corporation under chapter 36.56 RCW and is operating a public transportation system conduct an evaluation of methods to reduce congestion. This evaluation should include the effectiveness of a congestion reduction charge on reducing congestion and should be conducted within existing resources."

On page 1, line 1 of the title, after "Relating to" strike all material through "date" on line 4 of the title, and insert "evaluating a congestion reduction charge; and creating a new section"

Senator King spoke in favor of adoption of the striking amendment.

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Senator White spoke against adoption of the striking amendment.

Senator Shin spoke in favor of the motion.

The President declared the question before the Senate to be the adoption of the striking amendment by Senator King to Substitute Senate Bill No. 5457.

The motion by Senator King failed and the striking amendment was not adopted by voice vote.

MOTION

On motion of Senator Ericksen, Senators Benton, Pflug, Roach and Stevens were excused.

APPOINTMENT OF DAN DIXON

The President declared the question before the Senate to be the confirmation of Gubernatorial Appointment No. 9026, Dan Dixon as a member of the Board of Trustees, Central Washington University.

The Secretary called the roll on the confirmation of Gubernatorial Appointment No. 9026, Dan Dixon as a member of the Board of Trustees, Central Washington University and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 1; Excused, 1.

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

Absent: Senator Zarelli

Excused: Senator Pflug

Gubernatorial Appointment No. 9026, Dan Dixon, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Central Washington University.

MOTION

On motion of Senator Ericksen, Senator Zarelli was excused.

SECOND READING

SENATE BILL NO. 5367, by Senators Kastama, Chase, Holmquist Newbry, Shin and Kilmer

Authorizing the economic development finance authority to continue issuing bonds.

The measure was read the second time.

MOTION

On motion of Senator Kastama, the rules were suspended, Senate Bill No. 5367 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Kastama spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5367.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5367 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

MOTION

On motion of Senator White, the rules were suspended, Engrossed Substitute Senate Bill No. 5457 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators White and Haugen spoke in favor of passage of the bill.

Senators Carrell, King and Pflug spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5457.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5457 and the bill passed the Senate by the following vote: Yeas, 26; Nays, 23; Absent, 0; Excused, 0.

Voting yea: Senators Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Hatfield, Haugen, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Prentice, Pridemore, Ranker, Regala, Rockefeller, Sheldon, Shin and White

Voting nay: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Delvin, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Litzow, Morton, Parlette, Pflug, Roach, Schoesler, Stevens, Swecker, Tom and Zarelli

ENGROSSED SUBSTITUTE SENATE BILL NO. 5457, 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 Eide, Engrossed Substitute Senate Bill No. 5457 was immediately transmitted to the House of Representatives.

MOTION

At 12:29 p.m., on motion of Senator Eide, the Senate was declared to be at ease subject to the call of the President.

AFTERNOON SESSION

The Senate was called to order at 2:28 p.m. by President Owen.

SECOND READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Shin moved that Gubernatorial Appointment No. 9026, Dan Dixon, as a member of the Board of Trustees, Central Washington University, be confirmed.

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

Excused: Senator Pflug

SENATE BILL NO. 5367, 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

SENATE BILL NO. 5553, by Senators Roach, Pridemore and Chase

Requiring public agencies, special purpose districts, and municipalities to post certain information on their web sites.

MOTIONS

On motion of Senator Roach, Substitute Senate Bill No. 5553 was substituted for Senate Bill No. 5553 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Pridemore, the rules were suspended, Substitute Senate Bill No. 5553 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Roach and Pridemore spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5553.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5553 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

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

Voting nay: Senator Regala

SUBSTITUTE SENATE BILL NO. 5553, 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

SENATE BILL NO. 5122, by Senators Keiser and Kline

Regulating health care insurance. Revised for 1st Substitute: Making the necessary changes for implementation of the affordable care act in Washington state.

MOTION

On motion of Senator Keiser, Substitute Senate Bill No. 5122 was substituted for Senate Bill No. 5122 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Keiser moved that the following amendment by Senators Becker and Keiser be adopted:

On page 9, line 11, after "Sec. 4." Strike all language in section 4 down through line 31, page 11.

Re-number sections accordingly and correct internal references.

Senators Keiser and Becker spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Becker and Keiser on page 9, line 11 to Substitute Senate Bill No. 5122.

The motion by Senator Keiser carried and the amendment was adopted by voice vote.

MOTION

Senator Keiser moved that the following amendment by Senators Keiser and Becker be adopted:

On page 35, after line 24, insert the following:

"Sec. 18. RCW 48.21.157 and 2007 c 259 s 20 are each amended to read as follows:

Any group disability insurance contract or blanket disability insurance contract that provides coverage for a participating member's dependent must offer each participating member the option of covering any (~~unmarried~~) dependent under the age of (~~twenty-five~~) twenty-six."

Re-number the remaining section consecutively.

Senator Keiser spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Keiser and Becker on page 35, after line 24 to Substitute Senate Bill No. 5122.

The motion by Senator Keiser carried and the amendment was adopted by voice vote.

MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 5 of the title, after "48.41.100," strike "and 48.41.140" and insert "48.41.140, and 48.21.157"

MOTION

On motion of Senator Keiser, the rules were suspended, Engrossed Substitute Senate Bill No. 5122 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Keiser spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5122.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5122 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

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

Voting nay: Senators Baumgartner, Baxter, Carrell and Ericksen

ENGROSSED SUBSTITUTE SENATE BILL NO. 5122, 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

SENATE BILL NO. 5395, by Senators Hargrove and Stevens

Changing provisions involving domestic violence fatality review panels.

The measure was read the second time.

MOTION

On motion of Senator Hargrove, the rules were suspended, Senate Bill No. 5395 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hargrove spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5395.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5395 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SENATE BILL NO. 5395, 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

The President signed:

SUBSTITUTE SENATE BILL NO. 5801.

SECOND READING

SENATE BILL NO. 5482, by Senators Kohl-Welles, Hobbs, Eide, Keiser, Fraser, Prentice and Conway

Authorizing existing funding to house victims of human trafficking and their families.

The measure was read the second time.

MOTION

On motion of Senator Kohl-Welles, the rules were suspended, Senate Bill No. 5482 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Kohl-Welles spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5482.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5482 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

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

SENATE BILL NO. 5482, 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

SENATE BILL NO. 5788, by Senators Conway, Hewitt, Kohl-Welles and King

Concerning the omnibus liquor act. Revised for 1st Substitute: Regulating liquor by changing tied house and licensing provisions and making clarifying and technical changes to liquor laws.

MOTION

On motion of Senator Conway, Substitute Senate Bill No. 5788 was substituted for Senate Bill No. 5788 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Sheldon moved that the following amendment by Senator Sheldon be adopted:

On page 1, after line 8, insert the following:

"PART I – INTENT

NEW SECTION. **Sec. 101.** The legislature intends for privatization of retail and distribution of liquor to result in a system that is more efficient than public sector retail and distribution. The legislature finds that the present system of state control includes a markup amount at distribution that generates revenue for the state and local governments, and that this markup will be eliminated when liquor sales and distribution are privatized. The legislature further intends that the privatization of liquor sales and distribution not result in revenue losses to state or local governments as compared to projected revenues assumed under state control, not including any separate licenses or franchises.

PART II - CURRENT CHANGES

Sec. 201. RCW 66.04.010 and 2009 c 373 s 1 and 2009 c 271 s 2 are each reenacted and amended to read as follows:

In this title, unless the context otherwise requires:

(1) "Alcohol" is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance. The term "alcohol" does not include alcohol in the possession of a manufacturer or distiller of alcohol fuel, as described in RCW 66.12.130, which is intended to be denatured and used as a fuel for use in motor vehicles, farm implements, and machines or implements of husbandry.

(2) "Authorized representative" means a person who:

(a) Is required to have a federal basic permit issued pursuant to the federal alcohol administration act, 27 U.S.C. Sec. 204;

(b) Has its business located in the United States outside of the state of Washington;

(c) Acquires ownership of beer or wine for transportation into and resale in the state of Washington; and which beer or wine is produced by a brewery or winery in the United States outside of the state of Washington; and

(d) Is appointed by the brewery or winery referenced in (c) of this subsection as its authorized representative for marketing and selling its products within the United States in accordance with a written agreement between the authorized representative and such brewery or winery pursuant to this title.

(3) "Beer" means any malt beverage, flavored malt beverage, or malt liquor as these terms are defined in this chapter.

(4) "Beer distributor" means a person who buys beer from a domestic brewery, microbrewery, beer certificate of approval holder, or beer importers, or who acquires foreign produced beer from a source outside of the United States, for the purpose of selling the same pursuant to this title, or who represents such brewer or brewery as agent.

(5) "Beer importer" means a person or business within Washington who purchases beer from a beer certificate of approval holder or who acquires foreign produced beer from a source outside of the United States for the purpose of selling the same pursuant to this title.

(6) "Board" means the liquor control board, constituted under this title.

(7) "Brewer" or "brewery" means any person engaged in the business of manufacturing beer and malt liquor. Brewer includes a brand owner of malt beverages who holds a brewer's notice with the federal bureau of alcohol, tobacco, and firearms at a location outside the state and whose malt beverage is contract-produced by a licensed in-state brewery, and who may exercise within the state, under a domestic brewery license, only the privileges of storing, selling to licensed beer distributors, and exporting beer from the state.

(8) "Club" means an organization of persons, incorporated or unincorporated, operated solely for fraternal, benevolent, educational, athletic or social purposes, and not for pecuniary gain.

(9) "Confection" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, dairy products, or flavorings, in the form of bars, drops, or pieces.

(10) "Consume" includes the putting of liquor to any use, whether by drinking or otherwise.

(11) "Contract liquor store" means a business that sells liquor on behalf of the board through a contract with a contract liquor store manager.

(12) "Craft distillery" means a distillery that pays the reduced licensing fee under RCW 66.24.140.

(13) "Dentist" means a practitioner of dentistry duly and regularly licensed and engaged in the practice of his profession within the state pursuant to chapter 18.32 RCW.

(14) "Distiller" means a person engaged in the business of distilling spirits.

(15) "Domestic brewery" means a place where beer and malt liquor are manufactured or produced by a brewer within the state.

(16) "Domestic winery" means a place where wines are manufactured or produced within the state of Washington.

(17) "Drug store" means a place whose principal business is, the sale of drugs, medicines and pharmaceutical preparations and maintains a regular prescription department and employs a registered pharmacist during all hours the drug store is open.

(18) "Druggist" means any person who holds a valid certificate and is a registered pharmacist and is duly and regularly engaged in carrying on the business of pharmaceutical chemistry pursuant to chapter 18.64 RCW.

(19) "Employee" means any person employed by the board.

(20) "Flavored malt beverage" means:

(a) A malt beverage containing six percent or less alcohol by volume to which flavoring or other added nonbeverage ingredients are added that contain distilled spirits of not more than forty-nine percent of the beverage's overall alcohol content; or

(b) A malt beverage containing more than six percent alcohol by volume to which flavoring or other added nonbeverage ingredients are added that contain distilled spirits of not more than one and one-half percent of the beverage's overall alcohol content.

(21) "Fund" means 'liquor revolving fund.'

(22) "Hotel" means buildings, structures, and grounds, having facilities for preparing, cooking, and serving food, that are kept, used, maintained, advertised, or held out to the public to be a place where food is served and sleeping accommodations are offered for pay to transient guests, in which twenty or more rooms are used for the sleeping accommodation of such transient guests. The buildings, structures, and grounds must be located on adjacent property either owned or leased by the same person or persons.

(23) "Importer" means a person who buys distilled spirits from a distillery outside the state of Washington and imports such spirituous liquor into the state for sale to the board or for export.

(24) "Imprisonment" means confinement in the county jail.

(25) "Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine and beer), and all fermented, spirituous, vinous, or malt liquor, or combinations thereof, and mixed liquor, a part of which is fermented, spirituous, vinous or malt liquor, or otherwise intoxicating; and every liquid or solid or semisolid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption, and any liquid, semisolid, solid, or other substance, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating. Liquor does not include confections or food products that contain one percent or less of alcohol by weight.

(26) "Liquor franchise" means a specific location designated by the board where spirits, wine, and beer may be sold in original packages for off-premises consumption, or where liquor may be sold to holders of a permit to purchase.

(27) "Liquor franchise agreement" means approval by the board to operate a liquor franchise in accordance with the provisions of this title.

(28) "Liquor franchise applicant" means any person who submits an application for a liquor franchise agreement to sell spirits, wine, and beer in accordance with the provisions of this title.

(29) "Liquor franchise area" means a geographic area designated as such by the board for the purpose of issuing franchise agreements.

(30) "Liquor franchise holder" means a person who has been

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granted a liquor franchise agreement in accordance with the provisions of this title.

(31) "Malt beverage" or "malt liquor" means any beverage such as beer, ale, lager beer, stout, and porter obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than eight percent of alcohol by weight, and not less than one-half of one percent of alcohol by volume. For the purposes of this title, any such beverage containing more than eight percent of alcohol by weight shall be referred to as "strong beer."

~~((27))~~ (32) "Manufacturer" means a person engaged in the preparation of liquor for sale, in any form whatsoever.

~~((28))~~ (33) "Nightclub" means an establishment that provides entertainment and has as its primary source of revenue (a) the sale of alcohol for consumption on the premises, (b) cover charges, or (c) both, and has an occupancy load of one hundred or more.

~~((29))~~ (34) "Package" means any container or receptacle used for holding liquor.

~~((30))~~ (35) "Passenger vessel" means any boat, ship, vessel, barge, or other floating craft of any kind carrying passengers for compensation.

~~((31))~~ (36) "Permit" means a permit for the purchase of liquor under this title.

~~((32))~~ (37) "Person" means an individual, copartnership, association, or corporation.

~~((33))~~ (38) "Physician" means a medical practitioner duly and regularly licensed and engaged in the practice of his profession within the state pursuant to chapter 18.71 RCW.

~~((34))~~ (39) "Prescription" means a memorandum signed by a physician and given by him to a patient for the obtaining of liquor pursuant to this title for medicinal purposes.

~~((35))~~ (40) "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; those parts of establishments where beer may be sold under this title, soft drink establishments, public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theatres, stores, garages and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

~~((36))~~ (41) "Regulations" means regulations made by the board under the powers conferred by this title.

~~((37))~~ (42) "Restaurant" means any establishment provided with special space and accommodations where, in consideration of payment, food, without lodgings, is habitually furnished to the public, not including drug stores and soda fountains.

~~((38))~~ (43) "Sale" and "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever, of liquor, or of any liquid known or described as beer or by any name whatever commonly used to describe malt or brewed liquor or of wine, by any person to any person; and also include a sale or selling within the state to a foreign consignee or his agent in the state. "Sale" and "sell" shall not include the giving, at no charge, of a reasonable amount of liquor by a person not licensed by the board to a person not licensed by the board, for personal use only. "Sale" and "sell" also does not include a raffle authorized under RCW 9.46.0315(~~PROVIDED, That~~),

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However, the nonprofit organization conducting the raffle has obtained the appropriate permit from the board.

~~((39))~~ (44) "Soda fountain" means a place especially equipped with apparatus for the purpose of dispensing soft drinks, whether mixed or otherwise.

~~((40))~~ (45) "Spirits" means any beverage which contains alcohol obtained by distillation, except flavored malt beverages, but including wines exceeding twenty-four percent of alcohol by volume.

~~((41))~~ (46) "Store" means a state liquor store established under this title.

~~((42))~~ (47) "Tavern" means any establishment with special space and accommodation for sale by the glass and for consumption on the premises, of beer, as herein defined.

~~((43))~~ (48)(a) "Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, et cetera) or other agricultural product containing sugar, to which any saccharine substances may have been added before, during or after fermentation, and containing not more than twenty-four percent of alcohol by volume, including sweet wines fortified with wine spirits, such as port, sherry, muscatel and angelica, not exceeding twenty-four percent of alcohol by volume and not less than one-half of one percent of alcohol by volume. For purposes of this title, any beverage containing no more than fourteen percent of alcohol by volume when bottled or packaged by the manufacturer shall be referred to as "table wine," and any beverage containing alcohol in an amount more than fourteen percent by volume when bottled or packaged by the manufacturer shall be referred to as "fortified wine." However, "fortified wine" ~~((shall))~~ does not include: (i) Wines that are both sealed or capped by cork closure and aged two years or more; and (ii) wines that contain more than fourteen percent alcohol by volume solely as a result of the natural fermentation process and that have not been produced with the addition of wine spirits, brandy, or alcohol.

(b) This subsection shall not be interpreted to require that any wine be labeled with the designation "table wine" or "fortified wine."

~~((44))~~ (49) "Wine distributor" means a person who buys wine from a domestic winery, wine certificate of approval holder, or wine importer, or who acquires foreign produced wine from a source outside of the United States, for the purpose of selling the same not in violation of this title, or who represents such vintner or winery as agent.

~~((45))~~ (50) "Wine importer" means a person or business within Washington who purchases wine from a wine certificate of approval holder or who acquires foreign produced wine from a source outside of the United States for the purpose of selling the same pursuant to this title.

~~((46))~~ (51) "Winery" means a business conducted by any person for the manufacture of wine for sale, other than a domestic winery.

Sec. 202. RCW 66.08.030 and 2002 c 119 s 2 are each amended to read as follows:

(1) For the purpose of carrying into effect the provisions of this title according to their true intent or of supplying any deficiency therein, the board may make such regulations not inconsistent with the spirit of this title as are deemed necessary or advisable. All regulations so made shall be a public record and shall be filed in the office of the code reviser, and thereupon shall have the same force and effect as if incorporated in this title. Such regulations, together with a copy of this title, shall be published in pamphlets and shall be distributed as directed by the board.

(2) Without thereby limiting the generality of the provisions contained in subsection (1) of this section, it is declared that the

power of the board to make regulations in the manner set out in that subsection (~~shall~~) extends to:

(a) Regulating the equipment and management of liquor franchises and stores and warehouses in which state liquor is sold or kept, and prescribing the books and records to be kept therein and the reports to be made thereon to the board;

(b) Prescribing the duties of the employees of the board, and regulating their conduct in the discharge of their duties;

(c) Governing the purchase of liquor by the state and the furnishing of liquor to stores established under this title;

(d) Determining the classes, varieties, and brands of liquor to be kept for sale at any store;

(e) Prescribing(~~subject to RCW 66.16.080, the hours during which the state liquor stores shall be kept open for the sale of liquor~~) the hours of operation for a liquor franchise encompassing a retail area less than ten thousand square feet;

(f) Providing for the issuing and distributing of price lists showing the price to be paid by purchasers for each variety of liquor kept for sale under this title;

(g) Prescribing an official seal and official labels and stamps and determining the manner in which they shall be attached to every package of liquor sold or sealed under this title, including the prescribing of different official seals or different official labels for different classes of liquor;

(h) Providing for the payment by the board in whole or in part of the carrying charges on liquor shipped by freight or express;

(i) Prescribing forms to be used for purposes of this title or the regulations, and the terms and conditions to be contained in permits and licenses issued under this title, and the qualifications for receiving a permit or license issued under this title, including a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board shall require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

(j) Prescribing the fees payable in respect of permits and licenses and liquor franchise agreements issued under this title for which no fees are prescribed in this title, and prescribing the fees for anything done or permitted to be done under the regulations;

(k) Prescribing the kinds and quantities of liquor which may be kept on hand by the holder of a special permit for the purposes named in the permit, regulating the manner in which the same shall be kept and disposed of, and providing for the inspection of the same at any time at the instance of the board;

(l) Regulating the sale of liquor kept by the holders of licenses and liquor franchise agreements which entitle the holder to purchase and keep liquor for sale;

(m) Prescribing the records of purchases or sales of liquor kept by the holders of licenses and liquor franchise agreements, and the reports to be made thereon to the board, and providing for inspection of the records so kept;

(n) Prescribing the kinds and quantities of liquor for which a prescription may be given, and the number of prescriptions which may be given to the same patient within a stated period;

(o) Prescribing the manner of giving and serving notices required by this title or the regulations, where not otherwise provided for in this title;

(p) Regulating premises in which liquor is kept for export from the state, or from which liquor is exported, prescribing the books and records to be kept therein and the reports to be made thereon to the board, and providing for the inspection of the premises and the books, records and the liquor so kept;

(q) Prescribing the conditions and qualifications requisite for the obtaining of club licenses and the books and records to be kept and the returns to be made by clubs, prescribing the manner of licensing clubs in any municipality or other locality, and providing for the inspection of clubs;

(r) Prescribing the conditions, accommodations and qualifications requisite for the obtaining of licenses to sell beer and wines, and regulating the sale of beer and wines thereunder;

(s) Specifying and regulating the time and periods when, and the manner, methods and means by which manufacturers shall deliver liquor within the state; and the time and periods when, and the manner, methods and means by which liquor may lawfully be conveyed or carried within the state;

(t) Providing for the making of returns by brewers of their sales of beer shipped within the state, or from the state, showing the gross amount of such sales and providing for the inspection of brewers' books and records, and for the checking of the accuracy of any such returns;

(u) Providing for the making of returns by the wholesalers of beer whose breweries are located beyond the boundaries of the state;

(v) Providing for the making of returns by any other liquor manufacturers, showing the gross amount of liquor produced or purchased, the amount sold within and exported from the state, and to whom so sold or exported, and providing for the inspection of the premises of any such liquor manufacturers, their books and records, and for the checking of any such return;

(w) Providing for the giving of fidelity bonds by any or all of the employees of the board(~~PROVIDED, That~~). However, the premiums therefor shall be paid by the board;

(x) Providing for the shipment by mail or common carrier of liquor to any person holding a permit and residing in any unit which has, by election pursuant to this title, prohibited the sale of liquor therein;

(y) Prescribing methods of manufacture, conditions of sanitation, standards of ingredients, quality and identity of alcoholic beverages manufactured, sold, bottled, or handled by licensees and the board; and conducting from time to time, in the interest of the public health and general welfare, scientific studies and research relating to alcoholic beverages and the use and effect thereof;

(z) Seizing, confiscating and destroying all alcoholic beverages manufactured, sold or offered for sale within this state which do not conform in all respects to the standards prescribed by this title or the regulations of the board(~~PROVIDED~~); Nothing herein contained shall be construed as authorizing the liquor board to prescribe, alter, limit or in any way change the present law as to the quantity or percentage of alcohol used in the manufacturing of wine or other alcoholic beverages.

Sec. 203. RCW 66.08.070 and 1985 c 226 s 2 are each amended to read as follows:

(1) Every order for the purchase of liquor shall be authorized by the board, and no order for liquor shall be valid or binding unless it is so authorized and signed by the board or its authorized designee.

(2) A duplicate of every such order shall be kept on file in the office of the board.

(3) All cancellations of such orders made by the board shall be signed in the same manner and duplicates thereof kept on file in the office of the board. Nothing in this title shall be construed as preventing the board from accepting liquor on consignment.

(4) In the purchase of wine or malt beverages the board shall not require, as a term or condition of purchase, any warranty or affirmation with respect to the relationship of the price charged the board to any price charged any other buyer.

(5) This section does not apply to liquor franchises pursuant to this title.

Sec. 204. RCW 66.08.130 and 1981 1st ex.s. c 5 s 4 are each amended to read as follows:

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For the purpose of obtaining information concerning any matter relating to the administration or enforcement of this title, the board, or any person appointed by it in writing for the purpose, may inspect the books and records of

- (1) any manufacturer;
- (2) any license holder;
- (3) any liquor franchise holder;
- (4) any drug store holding a permit to sell on prescriptions;

~~((4))~~ (5) the freight and express books and records and all waybills, bills of lading, receipts and documents in the possession of any common carrier doing business within the state, containing any information or record relating to any goods shipped or carried, or consigned or received for shipment or carriage within the state. Every manufacturer, license holder, liquor franchise holder, drug store holding a permit to sell on prescriptions, and common carrier, and every owner or officer or employee of the foregoing, who neglects or refuses to produce and submit for inspection any book, record or document referred to in this section when requested to do so by the board or by a person so appointed by it shall be guilty of a violation of this title.

Sec. 205. RCW 66.08.140 and 1945 c 48 s 1 are each amended to read as follows:

For the purpose of obtaining information concerning any matter relating to the administration or enforcement of this title, the board, or any person appointed by it in writing for the purpose, may inspect the books, documents and records of any person lending money to or in any manner financing any license, or liquor franchise agreement, holder or applicant for license, or liquor franchise holder insofar as such books, documents and/or records pertain to the financial transaction involved. Every person who neglects or refuses to produce and submit for inspection any book, record or document as required by this section when requested to do so by the board or by a person duly appointed by it shall be guilty of a violation of this title.

Sec. 206. RCW 66.08.150 and 2007 c 370 s 3 are each amended to read as follows:

The action, order, or decision of the board as to any denial of an application for the reissuance of a permit ~~((or))~~, license, or liquor franchise agreement or as to any revocation, suspension, or modification of any permit ~~((or))~~, license, or liquor franchise agreement shall be an adjudicative proceeding and subject to the applicable provisions of chapter 34.05 RCW.

(1) An opportunity for a hearing may be provided an applicant for the reissuance of a permit ~~((or))~~, license, or liquor franchise agreement prior to the disposition of the application, and if no such opportunity for a prior hearing is provided then an opportunity for a hearing to reconsider the application must be provided the applicant.

(2) An opportunity for a hearing must be provided a permittee ~~((or))~~, licensee, or liquor franchise holder prior to a revocation or modification of any permit ~~((or))~~, license, or liquor franchise agreement and, except as provided in subsection (4) of this section, prior to the suspension of any permit ~~((or))~~, license, or liquor franchise agreement.

(3) No hearing shall be required until demanded by the applicant, permittee, ~~((or))~~ licensee, or liquor franchise holder.

(4) The board may summarily suspend a license ~~((or))~~, permit, or liquor franchise agreement for a period of up to one hundred eighty days without a prior hearing if it finds that public health, safety, or welfare imperatively require emergency action, and it incorporates a finding to that effect in its order. Proceedings for revocation or other action must be promptly instituted and determined. An administrative law judge may extend the summary suspension period for up to one calendar year in the event the proceedings for revocation or other action cannot be completed during the initial one hundred eighty day period due to actions by the

~~((licensee or))~~ permittee, licensee, or liquor franchise holder. The board's enforcement division shall complete a preliminary staff investigation of the violation before requesting an emergency suspension by the board.

Sec. 207. RCW 66.24.010 and 2009 c 271 s 6 are each amended to read as follows:

(1) Every license and liquor franchise agreement shall be issued in the name of the applicant, and the holder thereof shall not allow any other person to use the license.

(2) For the purpose of considering any application for a license or liquor franchise agreement, or the renewal of a license or liquor franchise agreement, the board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. For the purpose of reviewing any application for a license or liquor franchise agreement and for considering the denial, suspension, revocation, or renewal or denial thereof, of any license or liquor franchise agreement, the liquor control board may consider any prior criminal conduct of the applicant including an administrative violation history record with the board and a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board shall require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW ~~((shall))~~ do not apply to such cases. Subject to the provisions of this section, the board may, in its discretion, grant or deny the renewal or license or liquor franchise agreement applied for. Denial may be based on, without limitation, the existence of chronic illegal activity documented in objections submitted pursuant to subsections (8)(d) and (12) of this section. Authority to approve an uncontested or unopposed license or liquor franchise agreement may be granted by the board to any staff member the board designates in writing. Conditions for granting such authority shall be adopted by rule. No retail license or liquor franchise agreement of any kind may be issued to:

(a) A person doing business as a sole proprietor who has not resided in the state for at least one month prior to receiving a license, except in cases of licenses or liquor franchise agreements issued to dining places on railroads, boats, or aircraft;

(b) A copartnership, unless all of the members thereof are qualified to obtain a license or liquor franchise agreement, as provided in this section;

(c) A person whose place of business is conducted by a manager or agent, unless such manager or agent possesses the same qualifications required of the licensee, or liquor franchise holder;

(d) A corporation or a limited liability company, unless it was created under the laws of the state of Washington or holds a certificate of authority to transact business in the state of Washington.

(3)(a) The board may, in its discretion, subject to the provisions of RCW 66.08.150, suspend or cancel any license or liquor franchise agreement; and all rights of the licensee, or liquor franchise holder to keep or sell liquor thereunder shall be suspended or terminated, as the case may be.

(b) The board shall immediately suspend the license ~~((or))~~, certificate, or liquor franchise agreement of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license ~~((or))~~, certificate ((shall be)), or liquor franchise

agreement is automatic upon the board's receipt of a release issued by the department of social and health services stating that the licensee, or liquor franchise holder is in compliance with the order.

(c) The board may request the appointment of administrative law judges under chapter 34.12 RCW who shall have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under such rules and regulations as the board may adopt.

(d) Witnesses shall be allowed fees and mileage each way to and from any such inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.05.446. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

(e) In case of disobedience of any person to comply with the order of the board or a subpoena issued by the board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, shall compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(4) Upon receipt of notice of the suspension or cancellation of a license or liquor franchise agreement, the licensee, or liquor franchise holder shall forthwith deliver up the license to the board. Where the license or liquor franchise agreement has been suspended only, the board shall return the license or liquor franchise agreement to the licensee, or liquor franchise holder at the expiration or termination of the period of suspension. The board shall notify all vendors in the city or place where the licensee, or liquor franchise holder has its premises of the suspension or cancellation of the license or liquor franchise agreement; and no employee may allow or cause any liquor to be delivered to or for any person at the premises of that licensee, or liquor franchise holder.

(5)(a) At the time of the original issuance of a spirits, beer, and wine restaurant license, the board shall prorate the license fee charged to the new licensee according to the number of calendar quarters, or portion thereof, remaining until the first renewal of that license is required.

(b) Unless sooner canceled, every license issued by the board shall expire at midnight of the thirtieth day of June of the fiscal year for which it was issued. However, if the board deems it feasible and desirable to do so, it may establish, by rule pursuant to chapter 34.05 RCW, a system for staggering the annual renewal dates for any and all licenses authorized by this chapter. If such a system of staggered annual renewal dates is established by the board, the license fees provided by this chapter shall be appropriately prorated during the first year that the system is in effect.

(6) Every license or liquor franchise agreement issued under this section shall be subject to all conditions and restrictions imposed by this title or by rules adopted by the board. All conditions and restrictions imposed by the board in the issuance of an individual license or liquor franchise agreement shall be listed on the face of the individual license or liquor franchise agreement along with the trade name, address, and expiration date.

(7) Every licensee, or liquor franchise holder shall post and keep posted its license, ~~((#))~~ licenses, or liquor franchise agreement, in a conspicuous place on the premises.

(8)(a) Unless (b) of this subsection applies, before the board issues a new or renewal license or liquor franchise agreement to an applicant it shall give notice of such application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license or liquor

franchise agreement outside the boundaries of incorporated cities or towns.

(b) If the application for a special occasion license or liquor franchise agreement is for an event held during a county, district, or area fair as defined by RCW 15.76.120, and the county, district, or area fair is located on property owned by the county but located within an incorporated city or town, the county legislative authority shall be the entity notified by the board under (a) of this subsection. The board shall send a duplicate notice to the incorporated city or town within which the fair is located.

(c) The incorporated city or town through the official or employee selected by it, or the county legislative authority or the official or employee selected by it, ~~((shall have))~~ has the right to file with the board within twenty days after the date of transmittal of such notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewal license or liquor franchise agreement is asked. The board may extend the time period for submitting written objections.

(d) The written objections shall include a statement of all facts upon which such objections are based, and in case written objections are filed, the city or town or county legislative authority may request and the liquor control board may in its discretion hold a hearing subject to the applicable provisions of Title 34 RCW. If the board makes an initial decision to deny a license ~~((#))~~ renewal, or liquor franchise agreement based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If such a hearing is held at the request of the applicant, liquor control board representatives shall present and defend the board's initial decision to deny a license ~~((#))~~ renewal, or liquor franchise agreement.

(e) Upon the granting of a license or liquor franchise agreement under this title the board shall send written notification to the chief executive officer of the incorporated city or town in which the license or liquor franchise agreement is granted, or to the county legislative authority if the license or liquor franchise agreement is granted outside the boundaries of incorporated cities or towns. When the license or liquor franchise agreement is for a special occasion license or liquor franchise agreement for an event held during a county, district, or area fair as defined by RCW 15.76.120, and the county, district, or area fair is located on county-owned property but located within an incorporated city or town, the written notification shall be sent to both the incorporated city or town and the county legislative authority.

(9)(a) Before the board issues any license or liquor franchise agreement to any applicant, it shall give (i) due consideration to the location of the business to be conducted under such license or liquor franchise agreement with respect to the proximity of churches, schools, and public institutions and (ii) written notice, with receipt verification, of the application to public institutions identified by the board as appropriate to receive such notice, churches, and schools within five hundred feet of the premises ~~((to be licensed))~~. The board shall not issue a liquor license for either on-premises or off-premises consumption covering any premises not now licensed, if such premises are within five hundred feet of the premises of any tax-supported public elementary or secondary school measured along the most direct route over or across established public walks, streets, or other public passageway from the main entrance of the school to the nearest public entrance of the premises proposed for license or liquor franchise agreement, and if, after receipt by the school of the notice as provided in this subsection, the board receives written objection, within twenty days after receiving such notice, from an official representative or representatives of the school within five hundred feet of said proposed licensed premises, indicating to the board that there is an objection to the issuance of

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such license or liquor franchise agreement because of proximity to a school. The board may extend the time period for submitting objections. For the purpose of this section, "church" means a building erected for and used exclusively for religious worship and schooling or other activity in connection therewith. For the purpose of this section, "public institution" means institutions of higher education, parks, community centers, libraries, and transit centers.

(b) No liquor license may be issued or reissued by the board to any motor sports facility ~~((or))~~, licensee, or liquor franchise agreement operating within the motor sports facility unless the motor sports facility enforces a program reasonably calculated to prevent alcohol or alcoholic beverages not purchased within the facility from entering the facility and such program is approved by local law enforcement agencies.

(c) It is the intent under this subsection (9) that a retail license or liquor franchise agreement shall not be issued by the board where doing so would, in the judgment of the board, adversely affect a private school meeting the requirements for private schools under Title 28A RCW, which school is within five hundred feet of the proposed licensee, or liquor franchise holder. The board shall fully consider and give substantial weight to objections filed by private schools. If a license or liquor franchise agreement is issued despite the proximity of a private school, the board shall state in a letter addressed to the private school the board's reasons for issuing the license or liquor franchise agreement.

(10) The restrictions set forth in subsection (9) of this section shall not prohibit the board from authorizing the assumption of existing licenses now located within the restricted area by other persons or licenses or relocations of existing licensed premises within the restricted area. In no case may the licensed premises be moved closer to a church or school than it was before the assumption or relocation.

(11)(a) Nothing in this section prohibits the board, in its discretion, from issuing a temporary retail or distributor license to an applicant to operate the retail or distributor premises during the period the application for the license is pending. The board may establish a fee for a temporary license by rule.

(b) A temporary license issued by the board under this section shall be for a period not to exceed sixty days. A temporary license may be extended at the discretion of the board for additional periods of sixty days upon payment of an additional fee and upon compliance with all conditions required in this section.

(c) Refusal by the board to issue or extend a temporary license shall not entitle the applicant to request a hearing. A temporary license may be canceled or suspended summarily at any time if the board determines that good cause for cancellation or suspension exists. RCW 66.08.130 applies to temporary licenses.

(d) Application for a temporary license shall be on such form as the board shall prescribe. If an application for a temporary license is withdrawn before issuance or is refused by the board, the fee which accompanied such application shall be refunded in full.

(12) In determining whether to grant or deny a license or renewal of any license, the board shall give substantial weight to objections from an incorporated city or town or county legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises, or the conduct of the applicant's patrons inside or outside the licensed premises. "Chronic illegal activity" means (a) a pervasive pattern of activity that threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime statistics, police reports, emergency medical response data, calls for service, field data, or

similar records of a law enforcement agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations for violations of RCW 46.61.502 associated with the applicant's or licensee's operation of any licensed premises as indicated by the reported statements given to law enforcement upon arrest.

Sec. 208. RCW 66.24.012 and 1997 c 58 s 862 are each amended to read as follows:

The board shall immediately suspend the license or liquor franchise agreement of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order or a residential or visitation order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or liquor franchise agreement shall be automatic upon the board's receipt of a release issued by the department of social and health services stating that the licensee or liquor franchise holder is in compliance with the order.

Sec. 209. RCW 66.24.015 and 1988 c 200 s 4 are each amended to read as follows:

An application for a new annual retail license under this title shall be accompanied by payment of a nonrefundable seventy-five dollar fee to cover expenses incurred in processing the application. If the application is approved, the application fee shall be applied toward the fee charged for the license. An application for a liquor franchise agreement under this title shall be accompanied by a nonrefundable fee to be determined by the board by rule. If the liquor franchise application is approved, the application fee shall be applied toward the fee charged for the license.

Sec. 210. RCW 66.24.025 and 2002 c 119 s 4 are each amended to read as follows:

(1) If the board approves, a license or liquor franchise agreement may be transferred, without charge, to the surviving spouse only of a deceased licensee or liquor franchise holder if the parties were maintaining a marital community and the license or liquor franchise agreement was issued in the names of one or both of the parties. For the purpose of considering the qualifications of the surviving party or parties to receive a liquor license or liquor franchise agreement, the liquor control board may require a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board shall require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation.

(2) The proposed sale of more than ten percent of the outstanding and/or issued stock of a licensed corporation or any proposed change in the officers of a licensed corporation must be reported to the board, and board approval must be obtained before such changes are made. A fee of seventy-five dollars will be charged for the processing of such change of stock ownership and/or corporate officers.

Sec. 211. RCW 66.24.120 and 1973 1st ex.s. c 209 s 12 are each amended to read as follows:

The board in suspending any license or liquor franchise agreement may further provide in the order of suspension that such suspension shall be vacated upon payment to the board by the licensee or liquor franchise holder of a monetary penalty in an amount then fixed by the board.

Sec. 212. RCW 66.44.200 and 1998 c 259 s 1 are each amended to read as follows:

(1) No person shall sell any liquor to any person apparently under the influence of liquor.

(2)(a) No person who is apparently under the influence of liquor may purchase or consume liquor on any premises licensed by the board or any liquor franchise designated by the board.

(b) A violation of this subsection is an infraction punishable by a fine of not more than five hundred dollars.

(c) A defendant's intoxication may not be used as a defense in an action under this subsection.

((d) Until July 1, 2000, every establishment licensed under RCW 66.24.330 or 66.24.420 shall conspicuously post in the establishment notice of the prohibition against the purchase or consumption of liquor under this subsection.))

(3) An administrative action for violation of subsection (1) of this section and an infraction issued for violation of subsection (2) of this section arising out of the same incident are separate actions and the outcome of one shall not determine the outcome of the other.

Sec. 213. RCW 66.44.318 and 1995 c 100 s 2 are each amended to read as follows:

Licensees holding nonretail class liquor licenses and liquor franchise holders are permitted to allow their employees between ~~((the))~~ the ages of eighteen and twenty-one to stock, merchandise, and handle liquor, beer, or wine on or about the nonretail premises if there is an adult twenty-one years of age or older on duty supervising such activities on the premises.

Sec. 214. RCW 66.44.340 and 1999 c 281 s 11 are each amended to read as follows:

Employers holding grocery store or beer and/or wine specialty shop licenses and liquor franchise holders exclusively are permitted to allow their employees, between the ages of eighteen and twenty-one years, to sell, stock, and handle liquor, beer, or wine in, on or about any establishment holding a grocery store or beer and/or wine specialty shop license or liquor franchise agreement exclusively(~~(- PROVIDED, That))~~ if there is an adult twenty-one years of age or older on duty supervising the sale of liquor at the licensed premises(~~(- PROVIDED, That))~~. Minor employees may make deliveries of beer and/or wine purchased from licensees holding grocery store or beer and/or wine specialty shop licenses exclusively, when delivery is made to cars of customers adjacent to such licensed premises but only, however, when the minor employee is accompanied by the purchaser.

NEW SECTION. Sec. 215. A new section is added to chapter 66.08 RCW to read as follows:

(1) By July 1, 2013, the board must close all state liquor stores and state liquor distribution facilities, and must sell at auction all assets pertaining to the state sale and distribution of liquor. Funds received from these auctions shall be deposited in the state general fund.

(2)(a) By July 1, 2013, the board must:

(i) Determine liquor franchise areas throughout the state in which a certain number of liquor franchises can be located;

(ii) Establish criteria for the placement of liquor franchises in liquor franchise areas, including input gained from cities, counties, towns, schools, churches, and public institutions pursuant to RCW 66.24.010, and the amount of the purchase price offered by the liquor franchise applicant;

(iii) Collect information from incorporated cities and towns regarding acceptable locations for liquor franchises within their boundaries. The board must not locate liquor franchises in any locations that have not been deemed acceptable by cities and towns;

(iv) Award liquor franchise agreements to applicants in all liquor franchise areas;

(v) Grant a liquor franchise agreement to a liquor franchise applicant who has paid applicable fees, has retail sales of grocery products for off-premises consumption that are more than forty percent of the applicant's gross sales, and operates a fully enclosed retail area encompassing at least ten thousand square feet. The board may issue a liquor franchise to an applicant with a retail area

encompassing less than ten thousand square feet if the board determines that no applicant in the community the applicant serves meets the square footage requirement and the applicant meets operational requirements established by the board by rule or the applicant has obtained the approval of local government;

(vi) Grant a liquor franchise agreement to a liquor franchise applicant who has paid applicable fees and is a membership organization that requires members to be eighteen years of age and operates a fully enclosed retail area encompassing at least ten thousand square feet; and

(vii) Grant a liquor franchise agreement to a liquor franchise applicant who has paid applicable fees and is a federally recognized tribe with a current state contract for the sales of spirits, wine, or beer.

(b) For the purposes of subsection (a)(v) through (vii) of this subsection (2), no liquor franchise applicant can be granted a liquor franchise agreement if the liquor franchise applicant has had more than one public safety violation within the past two years.

(3) The board shall provide an orderly transition from state liquor store sales to liquor franchise sales.

(4) After July 1, 2013, it is unlawful for the board to lease space for or to operate a state retail or wholesale liquor store.

(5) Nothing in this section shall be construed to eliminate liquor vendors as referenced in RCW 66.08.050.

(6) The board may adopt rules to carry out the provisions of this section. These rules may include, but are not limited to:

(a) The establishment of franchise agreement periods, expiration dates, and renewal procedures;

(b) The enumeration of records to be kept by franchise holders;

(c) The procedures for advertising and other promotion of sales of spirits by liquor franchise holders, in accordance with RCW 66.08.060; and

(d) The establishment of fees and administrative penalties for liquor franchise holders.

(7) The price of liquor sold at liquor franchises must be set by each liquor franchise holder, but cannot be less than the price the franchise holder paid to obtain the liquor, including any applicable taxes.

(8) The board shall determine the hours and days, subject to RCW 66.08.167, during which liquor may be sold at liquor franchises.

PART III - FUTURE CHANGES

Sec. 301. RCW 66.04.010 and 2011 c . . . s 201 (section 201 of this act) are each amended to read as follows:

In this title, unless the context otherwise requires:

(1) "Alcohol" is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance. The term "alcohol" does not include alcohol in the possession of a manufacturer or distiller of alcohol fuel, as described in RCW 66.12.130, which is intended to be denatured and used as a fuel for use in motor vehicles, farm implements, and machines or implements of husbandry.

(2) "Authorized representative" means a person who:

(a) Is required to have a federal basic permit issued pursuant to the federal alcohol administration act, 27 U.S.C. Sec. 204;

(b) Has its business located in the United States outside of the state of Washington;

(c) Acquires ownership of beer or wine for transportation into and resale in the state of Washington; and which beer or wine is produced by a brewery or winery in the United States outside of the state of Washington; and

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(d) Is appointed by the brewery or winery referenced in (c) of this subsection as its authorized representative for marketing and selling its products within the United States in accordance with a written agreement between the authorized representative and such brewery or winery pursuant to this title.

(3) "Beer" means any malt beverage, flavored malt beverage, or malt liquor as these terms are defined in this chapter.

(4) "Beer distributor" means a person who buys beer from a domestic brewery, microbrewery, beer certificate of approval holder, or beer importers, or who acquires foreign produced beer from a source outside of the United States, for the purpose of selling the same pursuant to this title, or who represents such brewer or brewery as agent.

(5) "Beer importer" means a person or business within Washington who purchases beer from a beer certificate of approval holder or who acquires foreign produced beer from a source outside of the United States for the purpose of selling the same pursuant to this title.

(6) "Board" means the liquor control board, constituted under this title.

(7) "Brewer" or "brewery" means any person engaged in the business of manufacturing beer and malt liquor. Brewer includes a brand owner of malt beverages who holds a brewer's notice with the federal bureau of alcohol, tobacco, and firearms at a location outside the state and whose malt beverage is contract-produced by a licensed in-state brewery, and who may exercise within the state, under a domestic brewery license, only the privileges of storing, selling to licensed beer distributors, and exporting beer from the state.

(8) "Club" means an organization of persons, incorporated or unincorporated, operated solely for fraternal, benevolent, educational, athletic or social purposes, and not for pecuniary gain.

(9) "Confection" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, dairy products, or flavorings, in the form of bars, drops, or pieces.

(10) "Consume" includes the putting of liquor to any use, whether by drinking or otherwise.

(11) "Contract liquor store" means a business that sells liquor on behalf of the board through a contract with a contract liquor store manager.

(12) "Craft distillery" means a distillery that pays the reduced licensing fee under RCW 66.24.140.

(13) "Dentist" means a practitioner of dentistry duly and regularly licensed and engaged in the practice of his profession within the state pursuant to chapter 18.32 RCW.

(14) "Distiller" means a person engaged in the business of distilling spirits.

(15) "Domestic brewery" means a place where beer and malt liquor are manufactured or produced by a brewer within the state.

(16) "Domestic winery" means a place where wines are manufactured or produced within the state of Washington.

(17) "Drug store" means a place whose principal business is, the sale of drugs, medicines and pharmaceutical preparations and maintains a regular prescription department and employs a registered pharmacist during all hours the drug store is open.

(18) "Druggist" means any person who holds a valid certificate and is a registered pharmacist and is duly and regularly engaged in carrying on the business of pharmaceutical chemistry pursuant to chapter 18.64 RCW.

(19) "Employee" means any person employed by the board.

(20) "Flavored malt beverage" means:

(a) A malt beverage containing six percent or less alcohol by volume to which flavoring or other added nonbeverage ingredients

are added that contain distilled spirits of not more than forty-nine percent of the beverage's overall alcohol content; or

(b) A malt beverage containing more than six percent alcohol by volume to which flavoring or other added nonbeverage ingredients are added that contain distilled spirits of not more than one and one-half percent of the beverage's overall alcohol content.

(21) "Fund" means 'liquor revolving fund.'

(22) "Hotel" means buildings, structures, and grounds, having facilities for preparing, cooking, and serving food, that are kept, used, maintained, advertised, or held out to the public to be a place where food is served and sleeping accommodations are offered for pay to transient guests, in which twenty or more rooms are used for the sleeping accommodation of such transient guests. The buildings, structures, and grounds must be located on adjacent property either owned or leased by the same person or persons.

(23) "Importer" means a person who buys distilled spirits from a distillery outside the state of Washington and imports such spirituous liquor into the state for sale to the board or for export.

(24) "Imprisonment" means confinement in the county jail.

(25) "Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine and beer), and all fermented, spirituous, vinous, or malt liquor, or combinations thereof, and mixed liquor, a part of which is fermented, spirituous, vinous or malt liquor, or otherwise intoxicating; and every liquid or solid or semisolid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption, and any liquid, semisolid, solid, or other substance, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating. Liquor does not include confections or food products that contain one percent or less of alcohol by weight.

(26) "Liquor franchise" means a specific location designated by the board where spirits, wine, and beer may be sold in original packages for off-premises consumption, or where liquor may be sold to holders of a permit to purchase.

(27) "Liquor franchise agreement" means approval by the board to operate a liquor franchise in accordance with the provisions of this title.

(28) "Liquor franchise applicant" means any person who bids for a liquor franchise agreement to sell spirits, wine, and beer in accordance with the provisions of this title.

(29) "Liquor franchise area" means a geographic area designated as such by the board for the purpose of issuing franchise agreements.

(30) "Liquor franchise holder" means a person who has been granted a liquor franchise agreement in accordance with the provisions of this title.

(31) "Malt beverage" or "malt liquor" means any beverage such as beer, ale, lager beer, stout, and porter obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than eight percent of alcohol by weight, and not less than one-half of one percent of alcohol by volume. For the purposes of this title, any such beverage containing more than eight percent of alcohol by weight shall be referred to as "strong beer."

(32) "Manufacturer" means a person engaged in the preparation of liquor for sale, in any form whatsoever.

(33) "Nightclub" means an establishment that provides entertainment and has as its primary source of revenue (a) the sale of alcohol for consumption on the premises, (b) cover charges, or (c) both, and has an occupancy load of one hundred or more.

(34) "Package" means any container or receptacle used for holding liquor.

(35) "Passenger vessel" means any boat, ship, vessel, barge, or other floating craft of any kind carrying passengers for compensation.

(36) "Permit" means a permit for the purchase of liquor under this title.

(37) "Person" means an individual, copartnership, association, or corporation.

(38) "Physician" means a medical practitioner duly and regularly licensed and engaged in the practice of his profession within the state pursuant to chapter 18.71 RCW.

(39) "Prescription" means a memorandum signed by a physician and given by him to a patient for the obtaining of liquor pursuant to this title for medicinal purposes.

(40) "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; those parts of establishments where beer may be sold under this title, soft drink establishments, public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theatres, stores, garages and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

(41) "Regulations" means regulations made by the board under the powers conferred by this title.

(42) "Restaurant" means any establishment provided with special space and accommodations where, in consideration of payment, food, without lodgings, is habitually furnished to the public, not including drug stores and soda fountains.

(43) "Sale" and "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever, of liquor, or of any liquid known or described as beer or by any name whatever commonly used to describe malt or brewed liquor or of wine, by any person to any person; and also include a sale or selling within the state to a foreign consignee or his agent in the state. "Sale" and "sell" shall not include the giving, at no charge, of a reasonable amount of liquor by a person not licensed by the board to a person not licensed by the board, for personal use only. "Sale" and "sell" also does not include a raffle authorized under RCW 9.46.0315. However, the nonprofit organization conducting the raffle has obtained the appropriate permit from the board.

(44) "Soda fountain" means a place especially equipped with apparatus for the purpose of dispensing soft drinks, whether mixed or otherwise.

(45) "Spirits" means any beverage which contains alcohol obtained by distillation, except flavored malt beverages, but including wines exceeding twenty-four percent of alcohol by volume.

(46) ~~("Store" means a state liquor store established under this title.~~

~~(47))~~ "Tavern" means any establishment with special space and accommodation for sale by the glass and for consumption on the premises, of beer, as herein defined.

~~((48))~~ (47)(a) "Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, et cetera) or other agricultural product containing sugar, to which any saccharine substances may have been added before, during or after fermentation, and containing not more than twenty-four percent of alcohol by volume, including sweet wines fortified with wine

spirits, such as port, sherry, muscatel and angelica, not exceeding twenty-four percent of alcohol by volume and not less than one-half of one percent of alcohol by volume. For purposes of this title, any beverage containing no more than fourteen percent of alcohol by volume when bottled or packaged by the manufacturer shall be referred to as "table wine," and any beverage containing alcohol in an amount more than fourteen percent by volume when bottled or packaged by the manufacturer shall be referred to as "fortified wine." However, "fortified wine" does not include: (i) Wines that are both sealed or capped by cork closure and aged two years or more; and (ii) wines that contain more than fourteen percent alcohol by volume solely as a result of the natural fermentation process and that have not been produced with the addition of wine spirits, brandy, or alcohol.

(b) This subsection shall not be interpreted to require that any wine be labeled with the designation "table wine" or "fortified wine."

~~((49))~~ (48) "Wine distributor" means a person who buys wine from a domestic winery, wine certificate of approval holder, or wine importer, or who acquires foreign produced wine from a source outside of the United States, for the purpose of selling the same not in violation of this title, or who represents such vintner or winery as agent.

~~((50))~~ (49) "Wine importer" means a person or business within Washington who purchases wine from a wine certificate of approval holder or who acquires foreign produced wine from a source outside of the United States for the purpose of selling the same pursuant to this title.

~~((51))~~ (50) "Winery" means a business conducted by any person for the manufacture of wine for sale, other than a domestic winery.

Sec. 302. RCW 66.08.012 and 1961 c 307 s 7 are each amended to read as follows:

There shall be a board, known as the "Washington state liquor control board," consisting of three members~~((-to))~~. One member shall be qualified by local government experience. Two members shall be qualified by experience or training in matters pertaining to retail sales and/or distribution. All three members shall be appointed by the governor, with the consent of the senate, who shall each be paid an annual salary to be fixed by the governor in accordance with the provisions of RCW 43.03.040. The governor may, in his or her discretion, appoint one of the members as chair of the board, and a majority of the members shall constitute a quorum of the board.

Sec. 303. RCW 66.08.020 and 1933 ex.s. c 62 s 5 are each amended to read as follows:

The administration of this title~~((, including the general control, management and supervision of all liquor stores, shall be))~~ is vested in the liquor control board, constituted under this title.

Sec. 304. RCW 66.08.026 and 2008 c 67 s 1 are each amended to read as follows:

Administrative expenses of the board shall be appropriated and paid from the liquor revolving fund. These administrative expenses shall include, but not be limited to: The salaries and expenses of the board and its employees, ~~((the cost of opening additional state liquor stores and warehouses,))~~ legal services, pilot projects, annual or other audits, and other general costs of conducting the business of the board. ~~((The administrative expenses shall not include costs of liquor and lottery tickets purchased, the cost of transportation and delivery to the point of distribution, the cost of operating, maintaining, relocating, and leasing state liquor stores and warehouses, other costs pertaining to the acquisition and receipt of liquor and lottery tickets, agency commissions for contract liquor stores, transaction fees associated with credit or debit card purchases for liquor in state liquor stores and in contract liquor stores pursuant to RCW 66.16.040 and~~

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~~66.16.041, sales tax, and those amounts distributed pursuant to RCW 66.08.180, 66.08.190, 66.08.200, 66.08.210 and 66.08.220. Agency commissions for contract liquor stores shall be established by the liquor control board after consultation with and approval by the director of the office of financial management.)~~ All expenditures and payment of obligations authorized by this section are subject to the allotment requirements of chapter 43.88 RCW.

Sec. 305. RCW 66.08.030 and 2011 c. . . s 202 (section 202 of this act) are each amended to read as follows:

(1) For the purpose of carrying into effect the provisions of this title according to their true intent or of supplying any deficiency therein, the board may make such regulations not inconsistent with the spirit of this title as are deemed necessary or advisable. All regulations so made shall be a public record and shall be filed in the office of the code reviser, and thereupon shall have the same force and effect as if incorporated in this title. Such regulations, together with a copy of this title, shall be published in pamphlets and shall be distributed as directed by the board.

(2) Without thereby limiting the generality of the provisions contained in subsection (1) of this section, it is declared that the power of the board to make regulations in the manner set out in that subsection extends to:

(a) ~~(Regulating the equipment and management of liquor franchises and stores and warehouses in which state liquor is sold or kept, and prescribing the books and records to be kept therein and the reports to be made thereon to the board;~~

(b)) Prescribing the duties of the employees of the board, and regulating their conduct in the discharge of their duties;

((c) Governing the purchase of liquor by the state and the furnishing of liquor to stores established under this title;

(d) Determining the classes, varieties, and brands of liquor to be kept for sale at any store;

(e) Providing for the issuing and distributing of price lists showing the price to be paid by purchasers for each variety of liquor kept for sale under this title;

(f)) (b) Prescribing an official seal and official labels and stamps and determining the manner in which they shall be attached to every package of liquor sold or sealed under this title, including the prescribing of different official seals or different official labels for different classes of liquor;

((g) Providing for the payment by the board in whole or in part of the carrying charges on liquor shipped by freight or express;

(h)) (c) Prescribing forms to be used for purposes of this title or the regulations, and the terms and conditions to be contained in permits and licenses issued under this title, and the qualifications for receiving a permit or license issued under this title, including a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board shall require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

((~~h~~)) (d) Prescribing the fees payable in respect of permits and licenses and liquor franchise agreements issued under this title for which no fees are prescribed in this title, and prescribing the fees for anything done or permitted to be done under the regulations;

((~~h~~)) (e) Prescribing the kinds and quantities of liquor which may be kept on hand by the holder of a special permit for the purposes named in the permit, regulating the manner in which the same shall be kept and disposed of, and providing for the inspection of the same at any time at the instance of the board;

~~((~~h~~))~~ (f) Regulating the sale of liquor kept by the holders of licenses and liquor franchise agreements which entitle the holder to purchase and keep liquor for sale;

((~~h~~)) (g) Prescribing the records of purchases or sales of liquor kept by the holders of licenses and liquor franchise agreements, and the reports to be made thereon to the board, and providing for inspection of the records so kept;

~~((~~h~~))~~ (h) Prescribing the kinds and quantities of liquor for which a prescription may be given, and the number of prescriptions which may be given to the same patient within a stated period;

((~~h~~)) (i) Prescribing the manner of giving and serving notices required by this title or the regulations, where not otherwise provided for in this title;

((~~h~~)) (j) Regulating premises in which liquor is kept for export from the state, or from which liquor is exported, prescribing the books and records to be kept therein and the reports to be made thereon to the board, and providing for the inspection of the premises and the books, records and the liquor so kept;

((~~h~~)) (k) Prescribing the conditions and qualifications requisite for the obtaining of club licenses and the books and records to be kept and the returns to be made by clubs, prescribing the manner of licensing clubs in any municipality or other locality, and providing for the inspection of clubs;

((~~h~~)) (l) Prescribing the conditions, accommodations and qualifications requisite for the obtaining of licenses to sell beer and wines, and regulating the sale of beer and wines thereunder;

((~~h~~)) (m) Specifying and regulating the time and periods when, and the manner, methods and means by which manufacturers shall deliver liquor within the state; and the time and periods when, and the manner, methods and means by which liquor may lawfully be conveyed or carried within the state;

((~~h~~)) (n) Providing for the making of returns by brewers of their sales of beer shipped within the state, or from the state, showing the gross amount of such sales and providing for the inspection of brewers' books and records, and for the checking of the accuracy of any such returns;

((~~h~~)) (o) Providing for the making of returns by the wholesalers of beer whose breweries are located beyond the boundaries of the state;

((~~h~~)) (p) Providing for the making of returns by any other liquor manufacturers, showing the gross amount of liquor produced or purchased, the amount sold within and exported from the state, and to whom so sold or exported, and providing for the inspection of the premises of any such liquor manufacturers, their books and records, and for the checking of any such return;

((~~h~~)) (q) Providing for the giving of fidelity bonds by any or all of the employees of the board. However, the premiums therefor shall be paid by the board;

((~~h~~)) (r) Providing for the shipment by mail or common carrier of liquor to any person holding a permit and residing in any unit which has, by election pursuant to this title, prohibited the sale of liquor therein;

((~~h~~)) (s) Prescribing methods of manufacture, conditions of sanitation, standards of ingredients, quality and identity of alcoholic beverages manufactured, sold, bottled, or handled by licensees and the board; and conducting from time to time, in the interest of the public health and general welfare, scientific studies and research relating to alcoholic beverages and the use and effect thereof;

((~~h~~)) (t) Seizing, confiscating and destroying all alcoholic beverages manufactured, sold or offered for sale within this state which do not conform in all respects to the standards prescribed by this title or the regulations of the board. Nothing herein contained shall be construed as authorizing the liquor board to prescribe, alter, limit or in any way change the present law as to the quantity or

percentage of alcohol used in the manufacturing of wine or other alcoholic beverages.

Sec. 306. RCW 66.08.050 and 2005 c 151 s 3 are each amended to read as follows:

The board, subject to the provisions of this title and the rules, shall:

(1) ((Determine the localities within which state liquor stores shall be established throughout the state, and the number and situation of the stores within each locality;

(2) Appoint in cities and towns and other communities, in which no state liquor store is located, contract liquor stores. In addition, the board may)) Appoint, in its discretion, a manufacturer that also manufactures liquor products other than wine under a license under this title, as a contract liquor store for the purpose of sale of liquor products of its own manufacture on the licensed premises only. ((Such contract liquor stores shall be authorized to sell liquor under the guidelines provided by law, rule, or contract, and)) Such contract liquor stores shall be subject to such additional rules and regulations consistent with this title as the board may require;

((3) Establish all necessary warehouses for the storing and bottling, diluting and rectifying of stocks of liquors for the purposes of this title;

(4) Provide for the leasing for periods not to exceed ten years of all premises required for the conduct of the business; and for remodeling the same, and the procuring of their furnishings, fixtures, and supplies; and for obtaining options of renewal of such leases by the lessee. The terms of such leases in all other respects shall be subject to the direction of the board;

(5)) (2) Determine the nature, form and capacity of all packages to be used for containing liquor kept for sale under this title;

((6)) (3) Execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;

((7)) (4) Pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;

((8) Require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;

(9)) (5) Perform services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;

((4)) (6) Accept and deposit into the general fund-local account and disburse, subject to appropriation, federal grants or other funds or donations from any source for the purpose of improving public awareness of the health risks associated with alcohol consumption by youth and the abuse of alcohol by adults in Washington state. The board's alcohol awareness program shall cooperate with federal and state agencies, interested organizations, and individuals to effect an active public beverage alcohol awareness program;

((11)) (7) Perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and shall have full power to do each and every act necessary to the conduct of its business, including all buying, selling, preparation and approval of forms, and every other function of the business whatsoever, subject only to audit by the state auditor(~~(= PROVIDED, That)~~). However, the board shall have no authority to regulate the content of spoken language on licensed premises where wine and other liquors are served and where there is not a clear and present danger of disorderly conduct being provoked by such language.

Sec. 307. RCW 66.08.060 and 2005 c 231 s 3 are each amended to read as follows:

((1) The board shall not advertise liquor in any form or through any medium whatsoever.

(2) In-store liquor merchandising is not advertising for the purposes of this section.

(3)) The board shall have power to adopt any and all reasonable rules as to the kind, character, and location of advertising of liquor for liquor franchise holders encompassing a retail area less than ten thousand square feet.

Sec. 308. RCW 66.08.167 and 2005 c 231 s 4 are each amended to read as follows:

(1) (~~Before the board determines which state liquor stores~~) The board may adopt rules regarding which liquor franchises will be open on Sundays(,=)). In adopting Sunday sales rules, the board shall give: (a) Due consideration to the location of the liquor (~~store~~) franchise with respect to the proximity of places of worship, schools, and public institutions; (b) due consideration to motor vehicle accident data in the proximity of the liquor (~~store~~) franchise; and (c) written notice by certified mail of the proposed Sunday opening, including proposed Sunday opening hours, to places of worship, schools, and public institutions within five hundred feet of the liquor (~~store~~) franchise proposed to be open on Sunday.

(2) Before permitting (~~an agency vendor~~) a liquor (~~store~~) franchise to open for business on Sunday, the board must meet the due consideration and written notice requirements established in subsection (1) of this section.

(3) For the purpose of this section, "place of worship" means a building erected for and used exclusively for religious worship and schooling or other related religious activity.

Sec. 309. RCW 66.16.110 and 1993 c 422 s 2 are each amended to read as follows:

The board shall cause liquor franchises to (~~be posted~~) post in conspicuous places, in a number determined by the board, (~~within each state liquor store,~~) notices in print not less than one inch high warning persons that consumption of alcohol shortly before conception or during pregnancy may cause birth defects, including fetal alcohol syndrome and fetal alcohol effects.

Sec. 310. RCW 66.12.110 and 1999 c 281 s 3 are each amended to read as follows:

A person twenty-one years of age or over may bring into the state from without the United States, free of tax and markup, for his personal or household use such alcoholic beverages as have been declared and permitted to enter the United States duty free under federal law.

Such entry of alcoholic beverages in excess of that herein provided may be authorized by the board upon payment of ((an equivalent markup and tax as would be applicable to the purchase of the same or similar liquor at retail from a Washington state liquor store)) state sales tax. The board shall adopt appropriate regulations pursuant to chapter 34.05 RCW for the purpose of carrying out the provisions of this section. The board may issue a spirits, beer, and wine private club license to a charitable or nonprofit corporation of the state of Washington, the majority of the officers and directors of which are United States citizens and the minority of the officers and directors of which are citizens of the Dominion of Canada, and where the location of the premises for such spirits, beer, and wine private club license is not more than ten miles south of the border between the United States and the province of British Columbia.

Sec. 311. RCW 66.12.120 and 1995 c 100 s 1 are each amended to read as follows:

Notwithstanding any other provision of Title 66 RCW, a person twenty-one years of age or over may, free of tax and markup, for personal or household use, bring into the state of Washington from another state no more than once per calendar month up to two liters of spirits or wine or two hundred eighty-eight ounces of beer. Additionally, such person may be authorized by the board to bring into the state of Washington from another state a reasonable amount

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of alcoholic beverages in excess of that provided in this section for personal or household use only upon payment of ~~((an equivalent markup and tax as would be applicable to the purchase of the same or similar liquor at retail from a state liquor store))~~ state sales tax. The board shall adopt appropriate regulations pursuant to chapter 34.05 RCW for the purpose of carrying into effect the provisions of this section.

Sec. 312. RCW 66.12.140 and 1982 c 85 s 8 are each amended to read as follows:

(1) Nothing in this title shall prevent the use of beer, wine, and/or spirituous liquor, for cooking purposes only, in conjunction with a culinary or restaurant course offered by a college, university, community college, area vocational technical institute, or private vocational school. Further, nothing in this title shall prohibit the making of beer or wine in food fermentation courses offered by a college, university, community college, area vocational technical institute, or private vocational school.

(2) "Culinary or restaurant course" as used in this section means a course of instruction which includes practical experience in food preparation under the supervision of an instructor who is twenty-one years of age or older.

(3) Persons under twenty-one years of age participating in culinary or restaurant courses may handle beer, wine, or spirituous liquor for purposes of participating in the courses, but nothing in this section shall be construed to authorize consumption of liquor by persons under twenty-one years of age or to authorize possession of liquor by persons under twenty-one years of age at any time or place other than while preparing food under the supervision of the course instructor.

(4) Beer, wine, and/or spirituous liquor to be used in culinary or restaurant courses shall be purchased at retail from ~~((the board or))~~ a retailer licensed under this title. All such liquor shall be securely stored in the food preparation area and shall not be displayed in an area open to the general public.

(5) Colleges, universities, community colleges, area vocational technical institutes, and private vocational schools shall obtain the prior written approval of the board for use of beer, wine, and/or spirituous liquor for cooking purposes in their culinary or restaurant courses.

Sec. 313. RCW 66.20.010 and 2008 c 181 s 602 are each amended to read as follows:

Upon application in the prescribed form being made to any employee authorized by the board to issue permits, accompanied by payment of the prescribed fee, and upon the employee being satisfied that the applicant should be granted a permit under this title, the employee shall issue to the applicant under such regulations and at such fee as may be prescribed by the board a permit of the class applied for, as follows:

(1) Where the application is for a special permit by a physician or dentist, or by any person in charge of an institution regularly conducted as a hospital or sanatorium for the care of persons in ill health, or as a home devoted exclusively to the care of aged people, a special liquor purchase permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(2) Where the application is for a special permit by a person engaged within the state in mechanical or manufacturing business or in scientific pursuits requiring alcohol for use therein, or by any private individual, a special permit to purchase alcohol for the purpose named in the permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(3) Where the application is for a special permit to consume liquor at a banquet, at a specified date and place, a special permit to

purchase liquor for consumption at such banquet, to such applicants as may be fixed by the board;

(4) Where the application is for a special permit to consume liquor on the premises of a business not licensed under this title, a special permit to purchase liquor for consumption thereon for such periods of time and to such applicants as may be fixed by the board;

(5) Where the application is for a special permit by a manufacturer to import or purchase within the state alcohol, malt, and other materials containing alcohol to be used in the manufacture of liquor, or other products, a special permit;

(6) Where the application is for a special permit by a person operating a drug store to purchase liquor at retail prices only, to be thereafter sold by such person on the prescription of a physician, a special liquor purchase permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(7) Where the application is for a special permit by an authorized representative of a military installation operated by or for any of the armed forces within the geographical boundaries of the state of Washington, a special permit to purchase liquor for use on such military installation ~~((at prices to be fixed by the board));~~

(8) Where the application is for a special permit by a vendor that manufactures or sells a product which cannot be effectively presented to potential buyers without serving it with liquor or by a manufacturer, importer, or distributor, or representative thereof, to serve liquor without charge to delegates and guests at a convention of a trade association composed of licensees of the board, when the said liquor is served in a hospitality room or from a booth in a board-approved suppliers' display room at the convention, and when the liquor so served is for consumption in the said hospitality room or display room during the convention, anything in Title 66 RCW to the contrary notwithstanding. Any such spirituous liquor shall be purchased from ~~((the board))~~ a liquor franchise or a spirits, beer, and wine restaurant licensee and any such beer and wine shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

(9) Where the application is for a special permit by a manufacturer, importer, or distributor, or representative thereof, to donate liquor for a reception, breakfast, luncheon, or dinner for delegates and guests at a convention of a trade association composed of licensees of the board, when the liquor so donated is for consumption at the said reception, breakfast, luncheon, or dinner during the convention, anything in Title 66 RCW to the contrary notwithstanding. Any such spirituous liquor shall be purchased from ~~((the board))~~ liquor franchise or a spirits, beer, and wine restaurant licensee and any such beer and wine shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

(10) Where the application is for a special permit by a manufacturer, importer, or distributor, or representative thereof, to donate and/or serve liquor without charge to delegates and guests at an international trade fair, show, or exposition held under the auspices of a federal, state, or local governmental entity or organized and promoted by a nonprofit organization, anything in Title 66 RCW to the contrary notwithstanding. Any such spirituous liquor shall be purchased from ~~((the board))~~ a liquor franchise and any such beer or wine shall be subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

(11) Where the application is for an annual special permit by a person operating a bed and breakfast lodging facility to donate or serve wine or beer without charge to overnight guests of the facility if the wine or beer is for consumption on the premises of the facility. "Bed and breakfast lodging facility," as used in this subsection, means a facility offering from one to eight lodging units and breakfast to travelers and guests.

Sec. 314. RCW 66.20.160 and 2005 c 151 s 8 are each amended to read as follows:

Words and phrases as used in RCW 66.20.160 to 66.20.210, inclusive, shall have the following meaning:

"Card of identification" means any one of those cards described in RCW 66.16.040.

"Licensee" means the holder of a retail liquor license issued by the board, and includes any employee or agent of the licensee.

~~("Store employee" means a person employed in a state liquor store to sell liquor.)~~ "Liquor franchise holder" means a person who has been granted a liquor franchise agreement in accordance with the provisions of this title.

Sec. 315. RCW 66.20.170 and 1973 1st ex.s. c 209 s 5 are each amended to read as follows:

A card of identification may, for the purpose of this title and for the purpose of procuring liquor, be accepted as an identification card by any licensee or ~~((store employee))~~ liquor franchise holder and as evidence of legal age of the person presenting such card, provided the licensee or ~~((store employee))~~ liquor franchise holder complies with the conditions and procedures prescribed herein and such regulations as may be made by the board.

Sec. 316. RCW 66.20.180 and 2005 c 151 s 9 are each amended to read as follows:

A card of identification shall be presented by the holder thereof upon request of any licensee, ~~((store employee,))~~ contract liquor store manager, contract liquor store employee, liquor franchise holder, peace officer, or enforcement officer of the board for the purpose of aiding the licensee, ((store employee,)) contract liquor store manager, contract liquor store employee, liquor franchise holder, peace officer, or enforcement officer of the board to determine whether or not such person is of legal age to purchase liquor when such person desires to procure liquor from a licensed establishment or state liquor store or contract liquor store.

Sec. 317. RCW 66.20.190 and 1981 1st ex.s. c 5 s 9 are each amended to read as follows:

In addition to the presentation by the holder and verification by the licensee or ~~((store employee))~~ liquor franchise holder of such card of identification, the licensee or ~~((store employee))~~ liquor franchise holder who is still in doubt about the true age of the holder shall require the person whose age may be in question to sign a certification card and record an accurate description and serial number of his card of identification thereon. Such statement shall be upon a five-inch by eight-inch file card, which card shall be filed alphabetically by the licensee or ~~((store employee))~~ liquor franchise holder at or before the close of business on the day on which the statement is executed, in the file box containing a suitable alphabetical index and the card shall be subject to examination by any peace officer or agent or employee of the board at all times. The certification card shall also contain in bold-face type a statement stating that the signer understands that conviction for unlawful purchase of alcoholic beverages or misuse of the certification card may result in criminal penalties including imprisonment or fine or both.

Sec. 318. RCW 66.20.200 and 2003 c 53 s 295 are each amended to read as follows:

(1) It shall be unlawful for the owner of a card of identification to transfer the card to any other person for the purpose of aiding such person to procure alcoholic beverages from any licensee or ~~((store employee))~~ liquor franchise holder. Any person who shall permit his or her card of identification to be used by another or transfer such card to another for the purpose of aiding such transferee to obtain alcoholic beverages from a licensee or ~~((store employee))~~ liquor franchise holder or gain admission to a premises or portion of a premises classified by the board as off-limits to persons under twenty-one years of age, shall be guilty of a misdemeanor punishable as provided by RCW 9A.20.021, except that a minimum fine of two hundred fifty dollars shall be imposed and any sentence

requiring community restitution shall require not fewer than twenty-five hours of community restitution.

(2) Any person not entitled thereto who unlawfully procures or has issued or transferred to him or her a card of identification, and any person who possesses a card of identification not issued to him or her, and any person who makes any false statement on any certification card required by RCW 66.20.190, to be signed by him or her, shall be guilty of a misdemeanor punishable as provided by RCW 9A.20.021, except that a minimum fine of two hundred fifty dollars shall be imposed and any sentence requiring community restitution shall require not fewer than twenty-five hours of community restitution.

Sec. 319. RCW 66.20.210 and 1973 1st ex.s. c 209 s 9 are each amended to read as follows:

No licensee or the agent or employee of the licensee, or ~~((store employee))~~ liquor franchise holder, shall be prosecuted criminally or be sued in any civil action for serving liquor to a person under legal age to purchase liquor if such person has presented a card of identification in accordance with RCW 66.20.180, and has signed a certification card as provided in RCW 66.20.190.

Such card in the possession of a licensee may be offered as a defense in any hearing held by the board for serving liquor to the person who signed the card and may be considered by the board as evidence that the licensee acted in good faith.

Sec. 320. RCW 66.24.145 and 2010 c 290 s 2 are each amended to read as follows:

(1) Any craft distillery may sell spirits of its own production for consumption off the premises, up to two liters per person per day. ~~((Spirits sold under this subsection must be purchased from the board and sold at the retail price established by the board.))~~ A craft distillery selling spirits under this subsection must comply with the applicable laws and rules relating to retailers.

(2) Any craft distillery may contract distill 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.

(3) Any craft distillery licensed under this section may provide, free of charge, one-half ounce or less samples of spirits of its own production to persons on the premises of the distillery. The maximum total per person per day is two ounces. Every person who participates in any manner in the service of samples must obtain a class 12 alcohol server permit. ~~((Spirits used for samples must be purchased from the board.))~~

(4) The board shall adopt rules to implement the alcohol server permit requirement and may adopt additional rules to implement this section.

(5) Distilling is an agricultural practice.

Sec. 321. RCW 66.24.360 and 2007 c 226 s 2 are each amended to read as follows:

There shall be a beer and/or wine retailer's license to be designated as a grocery store license to sell beer, strong beer, and/or wine at retail in bottles, cans, and original containers, not to be consumed upon the premises where sold ~~((at any store other than the state liquor stores)).~~

(1) Licensees obtaining a written endorsement from the board may also sell malt liquor in kegs or other containers capable of holding less than five and one-half gallons of liquid.

(2) The annual fee for the grocery store license is one hundred fifty dollars for each store.

(3) The board shall issue a restricted grocery store license authorizing the licensee to sell beer and only table wine, if the board finds upon issuance or renewal of the license that the sale of strong beer or fortified wine would be against the public interest. In determining the public interest, the board shall consider at least the following factors:

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(a) The likelihood that the applicant will sell strong beer or fortified wine to persons who are intoxicated;

(b) Law enforcement problems in the vicinity of the applicant's establishment that may arise from persons purchasing strong beer or fortified wine at the establishment; and

(c) Whether the sale of strong beer or fortified wine would be detrimental to or inconsistent with a government-operated or funded alcohol treatment or detoxification program in the area.

If the board receives no evidence or objection that the sale of strong beer or fortified wine would be against the public interest, it shall issue or renew the license without restriction, as applicable. The burden of establishing that the sale of strong beer or fortified wine by the licensee would be against the public interest is on those persons objecting.

(4) Licensees holding a grocery store license must maintain a minimum three thousand dollar inventory of food products for human consumption, not including pop, beer, strong beer, or wine.

(5) Upon approval by the board, the grocery store licensee may also receive an endorsement to permit the international export of beer, strong beer, and wine.

(a) Any beer, strong beer, or wine sold under this endorsement must have been purchased from a licensed beer or wine distributor licensed to do business within the state of Washington.

(b) Any beer, strong beer, and wine sold under this endorsement must be intended for consumption outside the state of Washington and the United States and appropriate records must be maintained by the licensee.

~~(c) ((A holder of this special endorsement to the grocery store license shall be considered not in violation of RCW 66.28.010.~~

~~((d))~~ Any beer, strong beer, or wine sold under this license must be sold at a price no less than the acquisition price paid by the holder of the license.

~~((e))~~ (d) The annual cost of this endorsement is five hundred dollars and is in addition to the license fees paid by the licensee for a grocery store license.

(6) A grocery store licensee holding a snack bar license under RCW 66.24.350 may receive an endorsement to allow the sale of confections containing more than one percent but not more than ten percent alcohol by weight to persons twenty-one years of age or older.

Sec. 322. RCW 66.24.371 and 2009 c 373 s 6 are each amended to read as follows:

(1) There shall be a beer and/or wine retailer's license to be designated as a beer and/or wine specialty shop license to sell beer, strong beer, and/or wine at retail in bottles, cans, and original containers, not to be consumed upon the premises where sold ~~((at any store other than the state liquor stores))~~. Licensees obtaining a written endorsement from the board may also sell malt liquor in kegs or other containers capable of holding four gallons or more of liquid. The annual fee for the beer and/or wine specialty shop license is one hundred dollars for each store. The sale of any container holding four gallons or more must comply with RCW 66.28.200 and 66.28.220.

(2) Licensees under this section may provide, free or for a charge, single-serving samples of two ounces or less to customers for the purpose of sales promotion. Sampling activities of licensees under this section are subject to RCW ~~((66.28.010))~~ 66.28.305 and 66.28.040 and the cost of sampling under this section may not be borne, directly or indirectly, by any manufacturer, importer, or distributor of liquor.

(3) The board shall issue a restricted beer and/or wine specialty shop license, authorizing the licensee to sell beer and only table wine, if the board finds upon issuance or renewal of the license that the sale of strong beer or fortified wine would be against the public

interest. In determining the public interest, the board shall consider at least the following factors:

(a) The likelihood that the applicant will sell strong beer or fortified wine to persons who are intoxicated;

(b) Law enforcement problems in the vicinity of the applicant's establishment that may arise from persons purchasing strong beer or fortified wine at the establishment; and

(c) Whether the sale of strong beer or fortified wine would be detrimental to or inconsistent with a government-operated or funded alcohol treatment or detoxification program in the area.

If the board receives no evidence or objection that the sale of strong beer or fortified wine would be against the public interest, it shall issue or renew the license without restriction, as applicable. The burden of establishing that the sale of strong beer or fortified wine by the licensee would be against the public interest is on those persons objecting.

(4) Licensees holding a beer and/or wine specialty shop license must maintain a minimum three thousand dollar wholesale inventory of beer, strong beer, and/or wine.

Sec. 323. RCW 66.24.380 and 2005 c 151 s 10 are each amended to read as follows:

There shall be a retailer's license to be designated as a special occasion license to be issued to a not-for-profit society or organization to sell spirits, beer, and wine by the individual serving for on-premises consumption at a specified event, such as at picnics or other special occasions, at a specified date and place; fee sixty dollars per day.

(1) The not-for-profit society or organization is limited to sales of no more than twelve calendar days per year. For the purposes of this subsection, special occasion licensees that are "agricultural area fairs" or "agricultural county, district, and area fairs," as defined by RCW 15.76.120, that receive a special occasion license may, once per calendar year, count as one event fairs that last multiple days, so long as alcohol sales are at set dates, times, and locations, and the board receives prior notification of the dates, times, and locations. The special occasion license applicant will pay the sixty dollars per day for this event.

(2) The licensee may sell beer and/or wine in original, unopened containers for off-premises consumption if permission is obtained from the board prior to the event.

(3) Sale, service, and consumption of spirits, beer, and wine is to be confined to specified premises or designated areas only.

(4) Spirituous liquor sold under this special occasion license must be purchased at a ~~((state liquor store or contract liquor store without discount at retail prices, including all taxes))~~ liquor franchise.

(5) Any violation of this section is a class 1 civil infraction having a maximum penalty of two hundred fifty dollars as provided for in chapter 7.80 RCW.

Sec. 324. RCW 66.24.395 and 1997 c 321 s 25 are each amended to read as follows:

(1)(a) There shall be a license that may be issued to corporations, associations, or persons operating as federally licensed commercial common passenger carriers engaged in interstate commerce, in or over territorial limits of the state of Washington on passenger trains, vessels, or airplanes. Such license shall permit the sale of spirituous liquor, wine, and beer at retail for passenger consumption within the state upon one such train passenger car, vessel, or airplane, while in or over the territorial limits of the state. Such license shall include the privilege of transporting into and storing within the state such liquor for subsequent retail sale to passengers in passenger train cars, vessels or airplanes. The fees for such master license shall be seven hundred fifty dollars per annum (class CCI-1) ~~((: PROVIDED, That))~~ However:

(i) Upon payment of an additional sum of five dollars per

annum per car, or vessel, or airplane, the privileges authorized by such license classes shall extend to additional cars, or vessels, or airplanes operated by the same licensee within the state, and a duplicate license for each additional car, or vessel, or airplane shall be issued(~~(: PROVIDED, FURTHER, That)~~);

(ii) Such licensee may make such sales and/or service upon cars, or vessels, or airplanes in emergency for not more than five consecutive days without such license(~~(: AND PROVIDED, FURTHER, That)~~); and

(iii) Such license shall be valid only while such cars, or vessels, or airplanes are actively operated as common carriers for hire in interstate commerce and not while they are out of such common carrier service.

(b) Alcoholic beverages sold and/or served for consumption by such interstate common carriers while within or over the territorial limits of this state shall be subject to ~~((such board markup and))~~ the state liquor taxes in an amount to approximate the revenue that would have been realized from ~~((such markup and))~~ the taxes had the alcoholic beverages been purchased in Washington(~~(: PROVIDED, That the board's markup shall be applied on spirituous liquor only)~~). Such common carriers shall report such sales and/or service and pay ~~((such markup and))~~ taxes in accordance with procedures prescribed by the board.

(2) Alcoholic beverages sold and delivered in this state to interstate common carriers for use under the provisions of this section shall be considered exported from the state, subject to the conditions provided in subsection (1)(b) of this section. The storage facilities for liquor within the state by common carriers licensed under this section shall be subject to written approval by the board.

Sec. 325. RCW 66.24.400 and 2008 c 41 s 10 are each amended to read as follows:

(1) There shall be a retailer's license, to be known and designated as a spirits, beer, and wine restaurant license, to sell spirituous liquor by the individual glass, beer, and wine, at retail, for consumption on the premises, including mixed drinks and cocktails compounded or mixed on the premises only. A club licensed under chapter 70.62 RCW with overnight sleeping accommodations, that is licensed under this section may sell liquor by the bottle to registered guests of the club for consumption in guest rooms, hospitality rooms, or at banquets in the club. A patron of a bona fide restaurant or club licensed under this section may remove from the premises recorked or recapped in its original container any portion of wine which was purchased for consumption with a meal, and registered guests who have purchased liquor from the club by the bottle may remove from the premises any unused portion of such liquor in its original container. Such license may be issued only to bona fide restaurants and clubs, and to dining, club and buffet cars on passenger trains, and to dining places on passenger boats and airplanes, and to dining places at civic centers with facilities for sports, entertainment, and conventions, and to such other establishments operated and maintained primarily for the benefit of tourists, vacationers and travelers as the board shall determine are qualified to have, and in the discretion of the board should have, a spirits, beer, and wine restaurant license under the provisions and limitations of this title.

(2) The board may issue an endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and wine restaurant license to sell bottled wine for off-premises consumption. Spirits and beer may not be sold for off-premises consumption under this section except as provided in subsection (4) of this section. The annual fee for the endorsement under this subsection is one hundred twenty dollars.

(3) The holder of a spirits, beer, and wine license or its manager may furnish beer, wine, or spirituous liquor to the licensee's employees free of charge as may be required for use in connection

with instruction on beer, wine, or spirituous liquor. The instruction may include the history, nature, values, and characteristics of beer, wine, or spirituous liquor, the use of wine lists, and the methods of presenting, serving, storing, and handling beer, wine, and spirituous liquor. The spirits, beer, and wine restaurant licensee must use the beer, wine, or spirituous liquor it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the spirits, beer, and wine restaurant licensee.

(4) The board may issue an endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and wine restaurant license to sell for off-premises consumption malt liquor in kegs or other containers that are capable of holding four gallons or more of liquid and are registered in accordance with RCW 66.28.200. Beer may also be sold under the endorsement to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap by the retailer at the time of sale. The annual fee for the endorsement under this subsection is one hundred twenty dollars.

(5) The board may issue an endorsement to the spirits, beer, and wine restaurant license that allows the holder of a spirits, beer, and wine restaurant license or liquor franchise holder to purchase spirits, beer, and wine from Washington state distributors or directly from out-of-state distillers, brewers, or wineries.

Sec. 326. RCW 66.24.540 and 1999 c 129 s 1 are each amended to read as follows:

There shall be 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:

(1) 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.

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

(b) ~~((All spirits to be sold under the license must be purchased from the board.~~

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

(2) Provide without additional charge, to overnight guests of the motel, 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 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.

The annual fee for a motel license is five hundred dollars.

"Motel" as used in this section means a transient accommodation licensed under chapter 70.62 RCW.

As used in this section, "spirits," "beer," and "wine" have the meanings defined in RCW 66.04.010.

Sec. 327. RCW 66.24.590 and 2008 c 41 s 11 are each amended to read as follows:

(1) There shall be 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 shall meet the requirements of rules adopted by the board.

(2) The hotel license authorizes the licensee to:

(a) Sell ~~((spiritous))~~ spirituous liquor, beer, and wine, by the individual glass, at retail, for consumption on the premises,

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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 shall require proof of age from the guest renting a guest room and requesting the use of an honor bar. The guest shall also execute an affidavit verifying that no one under twenty-one years of age shall 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, 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;

~~((e))~~ (h) Place in guest rooms at check-in, a complimentary bottle of beer, including strong beer, or wine 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 shall be separately owned and stored by the separate licensees.

~~(4) ((All spirits to be sold under this license must be purchased from the board.~~

~~(5))~~ All on-premise 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))~~ (5)(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 shall, 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 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) Licensees may cater events on a domestic winery premises.

~~((7))~~ (6) 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 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 licensee.

~~((8))~~ (7) Minors may be allowed in all areas of the hotel where alcohol 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 minors.

~~((9))~~ (8) The annual fee for this license is two thousand dollars.

~~((10))~~ (9) As used in this section, "hotel," "spirits," "beer," and "wine" have the meanings defined in RCW 66.24.410 and 66.04.010.

Sec. 328. RCW 66.28.060 and 2008 c 94 s 7 are each amended to read as follows:

Every distillery licensed under this title shall make monthly reports to the board pursuant to the regulations. ((No such distillery shall make any sale of spirits within the state of Washington except to the board and as provided in RCW 66.24.145.))

Sec. 329. RCW 66.32.010 and 1955 c 39 s 3 are each amended to read as follows:

Except as permitted by the board, no liquor shall be kept or had by any person within this state unless the package in which the liquor was contained had, while containing that liquor, been sealed with the official seal adopted by the board, except in the case of:

(1) ~~((Liquor imported by the board; or~~

~~(2))~~ Liquor manufactured in the state for ~~((sale to the board or for))~~ export; or

~~((3))~~ (2) Beer, purchased in accordance with the provisions of law; or

~~((4))~~ (3) Wine or beer exempted in RCW 66.12.010.

Sec. 330. RCW 66.44.150 and 1955 c 289 s 5 are each amended to read as follows:

If any person in this state buys alcoholic beverages from any person other than ~~((the board, a state liquor store, or))~~ some person authorized by the board to sell them, he or she shall be guilty of a misdemeanor.

Sec. 331. RCW 66.44.160 and 1955 c 289 s 6 are each amended to read as follows:

Except as otherwise provided in this title, any person who has or keeps or transports alcoholic beverages other than those purchased from ~~((the board, a state liquor store,))~~ a liquor franchise or some person authorized by the board to sell them~~((s))~~ shall be guilty of a violation of this title.

NEW SECTION. Sec. 332. The following acts or parts of acts are each repealed:

(1) RCW 66.08.070 (Purchase of liquor by board--Consignment not prohibited--Warranty or affirmation not required for wine or malt purchases) and 2011 c ... s 203 (section 203 of this act), 1985 c 226 s 2, 1973 1st ex.s. c 209 s 1, & 1933 ex.s. c 62 s 67;

(2) RCW 66.08.160 (Acquisition of warehouse authorized) and 1947 c 134 s 1;

(3) RCW 66.08.165 (Strategies to improve operational efficiency and revenue) and 2005 c 231 s 1;

(4) RCW 66.08.166 (Sunday sales authorized--Store selection and other requirements) and 2005 c 231 s 2;

(5) RCW 66.08.220 (Liquor revolving fund--Separate account--Distribution) and 2009 c 271 s 4, 2007 c 370 s 15, 1999 c 281 s 2, & 1949 c 5 s 11;

(6) RCW 66.08.235 (Liquor control board construction and maintenance account) and 2005 c 151 s 4, 2002 c 371 s 918, & 1997 c 75 s 1;

(7) RCW 66.16.010 (Board may establish--Price standards--Prices in special instances) and 2005 c 518 s 935, 2003 1st sp.s. c 25 s 928, 1939 c 172 s 10, 1937 c 62 s 1, & 1933 ex.s. c 62 s 4;

(8) RCW 66.16.040 (Sales of liquor by employees--Identification cards--Permit holders--Sales for cash--Exception) and 2005 c 206 s 1, 2005 c 151 s 5, 2005 c 102 s 1, 2004 c 61 s 1, 1996 c 291 s 1, 1995 c 16 s 1, 1981 1st ex.s. c 5 s 8, 1979 c 158 s 217, 1973 1st ex.s. c 209 s 3, 1971 ex.s. c 15 s 1, 1959 c 111 s 1, & 1933 ex.s. c 62 s 7;

(9) RCW 66.16.041 (Credit and debit card purchases--Rules--Provision, installation, maintenance of equipment by board--Consideration of offsetting liquor revolving fund balance reduction) and 2005 c 151 s 6, 2004 c 63 s 2, 1998 c 265 s 3, 1997 c 148 s 2, & 1996 c 291 s 2;

(10) RCW 66.16.050 (Sale of beer and wine to person licensed to sell) and 1933 ex.s. c 62 s 8;

(11) RCW 66.16.060 (Sealed packages may be required, exception) and 1943 c 216 s 1 & 1933 ex.s. c 62 s 9;

(12) RCW 66.16.070 (Liquor cannot be opened or consumed on store premises) and 1933 ex.s. c 62 s 10;

(13) RCW 66.16.090 (Record of individual purchases confidential--Penalty for disclosure) and 1933 ex.s. c 62 s 89;

(14) RCW 66.16.100 (Fortified wine sales) and 1997 c 321 s 42 & 1987 c 386 s 5;

(15) RCW 66.16.120 (Employees working on Sabbath) and 2005 c 231 s 5; and

(16) RCW 66.28.180 (Price list--Contents--Contracts and memoranda with distributors) and 2009 c 506 s 10, 2006 c 302 s 10, & 2005 c 274 s 327.

Renumber the remaining parts and sections consecutively and correct any internal references accordingly.

Beginning on page 6, line 25, strike all of sections 203 and 204

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 16, line 11, after "66.28.170" strike "and 66.28.180" and insert "(and ~~66.28.180~~)"

Beginning on page 18, line 4, strike all of section 213

Renumber the remaining sections consecutively and correct any internal references accordingly.

Beginning on page 21, line 24, strike all of section 401

Renumber the remaining sections consecutively and correct any internal references accordingly.

Beginning on page 24, line 5, strike all of section 403

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 26, beginning on line 23, strike all of section 501 and insert the following:

NEW SECTION. Sec. 901. RCW 66.16.110 is recodified as a section in chapter 66.08 RCW.

NEW SECTION. Sec. 902. (1) Sections 201 through 215 of this act take effect August 1, 2011.

(2) Sections 301 through 332 of this act take effect July 1, 2013.

(3) Section 604 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2011.

NEW SECTION. Sec. 903. The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation."

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "liquor; amending RCW 66.08.030, 66.08.070, 66.08.130, 66.08.140, 66.08.150, 66.24.010, 66.24.012, 66.24.015, 66.24.025, 66.24.120, 66.44.200, 66.44.318, 66.44.340, 66.04.010, 66.08.012, 66.08.020, 66.08.026, 66.08.030, 66.08.050, 66.08.060, 66.08.167, 66.16.110, 66.12.110, 66.12.120, 66.12.140, 66.20.010, 66.20.160, 66.20.170, 66.20.180, 66.20.190, 66.20.200, 66.20.210, 66.24.145, 66.24.360, 66.24.371, 66.24.380, 66.24.395, 66.24.400, 66.24.540, 66.24.590, 66.28.060, 66.32.010, 66.44.150, 66.44.160, 66.28.290, 66.24.570, 66.24.580, 66.28.040, 66.28.042, 66.28.043, 66.28.155, 66.28.190, 66.24.240, 66.24.310, and 66.24.450; reenacting and amending RCW 66.04.010 and 66.28.310; adding new sections to chapter 66.08 RCW; creating a new section; recodifying RCW 66.16.110; repealing RCW 66.08.070, 66.08.160, 66.08.165, 66.08.166, 66.08.220, 66.08.235, 66.16.010, 66.16.040, 66.16.041, 66.16.050, 66.16.060, 66.16.070, 66.16.090, 66.16.100, 66.16.120, 66.28.180, and 66.28.010; providing effective dates; providing for submission of this act to a vote of the people; and declaring an emergency."

WITHDRAWAL OF AMENDMENT

On motion of Senator Sheldon, the striking amendment by Senator Sheldon to Substitute Senate Bill No. 5788 was withdrawn.

MOTION

Senator Sheldon moved that the following amendment by Senator Sheldon be adopted:

On page 26, beginning on line 21, strike all material through "2011." on line 26

On page 1, beginning on line 6 of the title, after "66.28.310;" strike all material through "emergency" on line 7 and insert "and repealing RCW 66.28.010"

WITHDRAWAL OF AMENDMENT

On motion of Senator Sheldon, the amendment by Senator Sheldon on page 26, line 21 to Substitute Senate Bill No. 5788 was withdrawn.

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, Substitute Senate Bill No. 5788 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Conway spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5788.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5788 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

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

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Voting nay: Senator Hargrove

SUBSTITUTE SENATE BILL NO. 5788, 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

SENATE BILL NO. 5773, by Senators Zarelli, Baumgartner, Hill, Parlette, Schoesler, Ericksen and Holmquist Newbry

Making a health savings account option and high deductible health plan available to public employees.

The measure was read the second time.

MOTION

Senator Brown moved that the following amendment by Senators Brown and Zarelli be adopted:

On page 8, after line 18, insert the following:

Sec. 2. RCW 41.05.021 and 2009 c 537 s 4 are each amended to read as follows:

(1) The Washington state health care authority is created within the executive branch. The authority shall have an administrator appointed by the governor, with the consent of the senate. The administrator shall serve at the pleasure of the governor. The administrator may employ up to seven staff members, who shall be exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter. The administrator may delegate any power or duty vested in him or her by this chapter, including authority to make final decisions and enter final orders in hearings conducted under chapter 34.05 RCW. The primary duties of the authority shall be to: Administer state employees' insurance benefits and retired or disabled school employees' insurance benefits; administer the basic health plan pursuant to chapter 70.47 RCW; study state-purchased health care programs in order to maximize cost containment in these programs while ensuring access to quality health care; implement state initiatives, joint purchasing strategies, and techniques for efficient administration that have potential application to all state-purchased health services; and administer grants that further the mission and goals of the authority. The authority's duties include, but are not limited to, the following:

(a) To administer health care benefit programs for employees and retired or disabled school employees as specifically authorized in RCW 41.05.065 and in accordance with the methods described in RCW 41.05.075, 41.05.140, and other provisions of this chapter;

(b) To analyze state-purchased health care programs and to explore options for cost containment and delivery alternatives for those programs that are consistent with the purposes of those programs, including, but not limited to:

(i) Creation of economic incentives for the persons for whom the state purchases health care to appropriately utilize and purchase health care services, including the development of flexible benefit plans to offset increases in individual financial responsibility;

(ii) Utilization of provider arrangements that encourage cost containment, including but not limited to prepaid delivery systems, utilization review, and prospective payment methods, and that ensure access to quality care, including assuring reasonable access to local providers, especially for employees residing in rural areas;

(iii) Coordination of state agency efforts to purchase drugs effectively as provided in RCW 70.14.050;

(iv) Development of recommendations and methods for purchasing medical equipment and supporting services on a volume discount basis;

(v) Development of data systems to obtain utilization data from state-purchased health care programs in order to identify cost centers, utilization patterns, provider and hospital practice patterns, and procedure costs, utilizing the information obtained pursuant to RCW 41.05.031; and

(vi) In collaboration with other state agencies that administer state purchased health care programs, private health care purchasers, health care facilities, providers, and carriers:

(A) Use evidence-based medicine principles to develop common performance measures and implement financial incentives in contracts with insuring entities, health care facilities, and providers that:

(I) Reward improvements in health outcomes for individuals with chronic diseases, increased utilization of appropriate preventive health services, and reductions in medical errors; and

(II) Increase, through appropriate incentives to insuring entities, health care facilities, and providers, the adoption and use of information technology that contributes to improved health outcomes, better coordination of care, and decreased medical errors;

(B) Through state health purchasing, reimbursement, or pilot strategies, promote and increase the adoption of health information technology systems, including electronic medical records, by hospitals as defined in RCW 70.41.020(4), integrated delivery systems, and providers that:

(I) Facilitate diagnosis or treatment;

(II) Reduce unnecessary duplication of medical tests;

(III) Promote efficient electronic physician order entry;

(IV) Increase access to health information for consumers and their providers; and

(V) Improve health outcomes;

(C) Coordinate a strategy for the adoption of health information technology systems using the final health information technology report and recommendations developed under chapter 261, Laws of 2005;

(c) To analyze areas of public and private health care interaction;

(d) To provide information and technical and administrative assistance to the board;

(e) To review and approve or deny applications from counties, municipalities, and other political subdivisions of the state to provide state-sponsored insurance or self-insurance programs to their employees in accordance with the provisions of RCW 41.04.205 and (g) of this subsection, setting the premium contribution for approved groups as outlined in RCW 41.05.050;

(f) To review and approve or deny the application when the governing body of a tribal government applies to transfer their employees to an insurance or self-insurance program administered under this chapter. In the event of an employee transfer pursuant to this subsection (1)(f), members of the governing body are eligible to be included in such a transfer if the members are authorized by the tribal government to participate in the insurance program being transferred from and subject to payment by the members of all costs of insurance for the members. The authority shall: (i) Establish the conditions for participation; (ii) have the sole right to reject the application; and (iii) set the premium contribution for approved groups as outlined in RCW 41.05.050. Approval of the application by the authority transfers the employees and dependents involved to the insurance, self-insurance, or health care program approved by the authority;

(g) To ensure the continued status of the employee insurance or self-insurance programs administered under this chapter as a governmental plan under section 3(32) of the employee retirement income security act of 1974, as amended, the authority shall limit the participation of employees of a county, municipal, school district, educational service district, or other political subdivision, or

a tribal government, including providing for the participation of those employees whose services are substantially all in the performance of essential governmental functions, but not in the performance of commercial activities;

(h) To establish billing procedures and collect funds from school districts in a way that minimizes the administrative burden on districts;

(i) To publish and distribute to nonparticipating school districts and educational service districts by October 1st of each year a description of health care benefit plans available through the authority and the estimated cost if school districts and educational service district employees were enrolled;

(j) To apply for, receive, and accept grants, gifts, and other payments, including property and service, from any governmental or other public or private entity or person, and make arrangements as to the use of these receipts to implement initiatives and strategies developed under this section;

(k) To issue, distribute, and administer grants that further the mission and goals of the authority;

(l) To adopt rules consistent with this chapter as described in RCW 41.05.160 including, but not limited to:

(i) Setting forth the criteria established by the board under RCW 41.05.065 for determining whether an employee is eligible for benefits;

(ii) Establishing an appeal process in accordance with chapter 34.05 RCW by which an employee may appeal an eligibility determination;

(iii) Establishing a process to assure that the eligibility determinations of an employing agency comply with the criteria under this chapter, including the imposition of penalties as may be authorized by the board.

(2) On and after January 1, 1996, the public employees' benefits board may implement strategies to promote managed competition among employee health benefit plans. Strategies may include but are not limited to:

(a) Standardizing the benefit package;

(b) Soliciting competitive bids for the benefit package;

(c) Limiting the state's contribution to a percent of the lowest priced qualified plan within a geographical area;

(d) Monitoring the impact of the approach under this subsection with regards to: Efficiencies in health service delivery, cost shifts to subscribers, access to and choice of managed care plans statewide, and quality of health services. The health care authority shall also advise on the value of administering a benchmark employer-managed plan to promote competition among managed care plans.

(3)(a) During the 2013 and 2014 plan years, the authority must include in its provider network for a self-insured health benefit plan a direct patient-provider primary care practice as provided in chapter 48.150 RCW.

(b) The authority shall use best efforts to enroll at least one thousand members residing in King, Pierce, or Thurston counties.

(c) To participate in the network, a practice must have prior experience with at least two thousand direct patients, as defined in RCW 48.150.010, and must have the capability to produce and analyze data on disease management, prevention measures, practice utilization, medication utilization, and referrals and be able to link to downstream utilization data provided by the plan.

(d) By November 30, 2015, the authority shall submit to the legislature a performance evaluation of direct patient-provider primary care practices participation under this subsection. The evaluation shall include the cost effectiveness of this model and the impact on employee access to quality, affordable health care.

(e) Funding for services provided by a direct patient-provider primary care practice under this section must not

increase the resources provided by employer funding rates provided for employee health benefits in the omnibus appropriations act in the absence of these provisions.

Sec. 3. RCW 48.150.040 and 2009 c 552 s 2 are each amended to read as follows:

(1) Direct practices may not:

(a) Enter into a participating provider contract as defined in RCW 48.44.010 or 48.46.020 with any carrier or with any carrier's contractor or subcontractor, or plans administered under chapter ~~((41.05,))~~ 70.47~~((;))~~ or 70.47A RCW, to provide health care services through a direct agreement except as set forth in subsection (2) of this section;

(b)~~(i)~~ Submit a claim for payment to any carrier or any carrier's contractor or subcontractor, or plans administered under chapter ~~((41.05,))~~ 70.47~~((;))~~ or 70.47A RCW, for health care services provided to direct patients as covered by their agreement; or

(i) Submit a claim for payment, other than the direct fee and any other negotiated ancillary costs, to any plan administered under chapter 41.05 RCW, for health care services provided to direct patients as covered by their agreement;

(c) With respect to services provided through a direct agreement, be identified by a carrier or any carrier's contractor or subcontractor, or plans administered under chapter ~~((41.05,))~~ 70.47~~((;))~~ or 70.47A RCW, as a participant in the carrier's or any carrier's contractor or subcontractor network for purposes of determining network adequacy or being available for selection by an enrollee under a carrier's benefit plan; or

(d) Pay for health care services covered by a direct agreement rendered to direct patients by providers other than the providers in the direct practice or their employees, except as described in subsection (2)(b) of this section.

(2) Direct practices and providers may:

(a) Enter into a participating provider contract as defined by RCW 48.44.010 and 48.46.020 or plans administered under chapter 41.05, 70.47, or 70.47A RCW for purposes other than payment of claims for services provided to direct patients through a direct agreement. Such providers shall be subject to all other provisions of the participating provider contract applicable to participating providers including but not limited to the right to:

(i) Make referrals to other participating providers;

(ii) Admit the carrier's members to participating hospitals and other health care facilities;

(iii) Prescribe prescription drugs; and

(iv) Implement other customary provisions of the contract not dealing with reimbursement of services;

(b) Pay for charges associated with the provision of routine lab and imaging services. In aggregate such payments per year per direct patient are not to exceed fifteen percent of the total annual direct fee charged that direct patient. Exceptions to this limitation may occur in the event of short-term equipment failure if such failure prevents the provision of care that should not be delayed; and

(c) Charge an additional fee to direct patients for supplies, medications, and specific vaccines provided to direct patients that are specifically excluded under the agreement, provided the direct practice notifies the direct patient of the additional charge, prior to their administration or delivery."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Senator Brown spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Brown and Zarelli on page 8, after line 18 to Senate Bill No. 5773.

The motion by Senator Brown carried and the amendment was adopted by voice vote.

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MOTION

There being no objection, the following title amendment was adopted:

On page 1, line 2 of the title, after "health plan", insert " option and a direct patient-provider primary care practice option".

On page 1, line 3 of the title, after "41.05.065", insert ", 41.05.021 and 48.150.040".

MOTION

On motion of Senator Zarelli, the rules were suspended, Engrossed Senate Bill No. 5773 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Zarelli spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5773.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5773 and the bill passed the Senate by the following vote: Yeas, 42; Nays, 7; Absent, 0; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Chase, Delvin, Eide, Ericksen, Fain, Hargrove, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Parlette, Pflug, Prentice, Pridemore, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom and Zarelli

Voting nay: Senators Conway, Fraser, Harper, Hatfield, Nelson, Ranker and White

ENGROSSED SENATE BILL NO. 5773, 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

SENATE BILL NO. 5077, by Senators Pflug, Shin, Carrell, Swecker, Sheldon, Becker, Honeyford, Benton, Schoesler, Stevens, Delvin, Keiser, Hewitt, Roach and Holmquist Newbry

Prohibiting the use of eminent domain for economic development.

MOTION

On motion of Senator Pridemore, Substitute Senate Bill No. 5077 was substituted for Senate Bill No. 5077 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Pridemore moved that the following amendment by Senator Pridemore be adopted:

On page 1, line 6, after "(1)" insert ""Consumer-owned utility" has the same meaning as in RCW 19.27A.140.

(2)"

Correct any internal references accordingly.

On page 1, line 12, after "company" insert ", consumer-owned utility."

On page 2, line 4, after "company, a" strike "publicly owned" and insert "consumer-owned"

On page 2, at the beginning of line 8, strike "(2)" and insert "(3) "Public service company" has the same meaning as defined in RCW 80.04.010.

(4)"

On page 2, line 12, after "companies, a" strike "publicly owned" and insert "consumer-owned"

Senator Pridemore spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Pridemore on page 1, line 6 to Substitute Senate Bill No. 5077.

The motion by Senator Pridemore carried and the amendment was adopted by voice vote.

MOTION

Senator Pflug moved that the following amendment by Senator Haugen be adopted:

On page 2, line 7, after "53 RCW." insert ""Economic development" also does not include highway projects."

Senator Pflug spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Haugen on page 2, line 7 to Substitute Senate Bill No. 5077.

The motion by Senator Pflug carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Pflug, the rules were suspended, Engrossed Substitute Senate Bill No. 5077 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Pflug and Pridemore spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5077.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5077 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

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

Voting nay: Senators Fraser, Harper, Kohl-Welles and Ranker

ENGROSSED SUBSTITUTE SENATE BILL NO. 5077, 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

SENATE BILL NO. 5264, by Senators Swecker and Sheldon

Requiring a study of Mazama pocket gophers.

MOTIONS

On motion of Senator Swecker, Substitute Senate Bill No. 5264 was substituted for Senate Bill No. 5264 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Swecker, the rules were suspended, Substitute Senate Bill No. 5264 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Swecker spoke in favor of passage of the bill.

MOTION

On motion of Senator Haugen, Senator Prentice was excused.

POINT OF INQUIRY

Senator Carrell: "Would Senator Swecker yield to a question? Well, I'm just wondering if this is a gopher that is found in pockets around in various places as you've implied or is it one that would fit in my pocket or does it have pockets?"

Senator Swecker: "Well, unfortunately I'm going to have to refer you to the literature on that issue. I'm not certain about all those details."

POINT OF INQUIRY

Senator Parlette: "Would Senator Swecker yield to a question? Senator Swecker, I represent Mazama Washington. Are they moving in or moving out?"

Senator Swecker: "I can't answer that question either, sorry."

POINT OF INQUIRY

Senator Ranker: "Would Senator Swecker yield to a question? If we kill off all the golfers will they lock us up and throw away the key?"

Senator Swecker: "Yes, I think that's probably true if we kill all the golfers."

MOTION

On motion of Senator Ericksen, Senator Baumgartner was excused.

POINT OF INQUIRY

Senator Hargrove: "Would Senator Swecker yield to a question? You know, I've seen a lot of gophers before but I'm not sure if I can tell the difference between a regular gopher and a Mazama pocket gopher. Can you tell me the distinguishing characteristic of a Mazama pocket gopher that would let us all know how we can tell it?"

Senator Ranker: "I really don't want to. We heard it in committee and that's why you are asking me. Sure, what the heck. Just for the gallery. Is there any school kids here right now. I'm not going to. You can go back to the fish and wildlife biologists and ask them about the genitalia."

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5264.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5264 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 3; Absent, 0; Excused, 2.

Voting yea: Senators Baxter, Benton, Brown, Carrell, Chase, Conway, Delvin, Eide, Fain, Fraser, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Honeyford, Kastama, Keiser, Kilmer, King, Kline, Kohl-Welles, Litzow, McAuliffe, Morton, Murray, Nelson, Parlette, Pflug, Pridemore, Ranker, Regala, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom, White and Zarelli

Voting nay: Senators Becker, Ericksen and Holmquist Newbry

Excused: Senators Baumgartner and Prentice

SUBSTITUTE SENATE BILL NO. 5264, 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

SENATE BILL NO. 5688, by Senators Ranker, Swecker, Rockefeller, Litzow, Shin and Kline

Concerning shark finning activities.

MOTIONS

On motion of Senator Ranker, Substitute Senate Bill No. 5688 was substituted for Senate Bill No. 5688 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Ranker, the rules were suspended, Substitute Senate Bill No. 5688 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Ranker, Morton and Litzow spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5688.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5688 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 1; Excused, 1.

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

Absent: Senator Kline

Excused: Senator Prentice

SUBSTITUTE SENATE BILL NO. 5688, 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

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On motion of Senator White, Senator Kline was excused.

SECOND READING

SENATE BILL NO. 5356, by Senators Morton, Swecker, Ericksen, Schoesler, Delvin, Hatfield and Roach

Establishing seasons for hunting cougars with the aid of dogs. Revised for 1st Substitute: Allowing the use of dogs to hunt cougars.

MOTIONS

On motion of Senator Morton, Substitute Senate Bill No. 5356 was substituted for Senate Bill No. 5356 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Morton, the rules were suspended, Substitute Senate Bill No. 5356 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Morton, Ranker and Baumgartner spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5356.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5356 and the bill passed the Senate by the following vote: Yeas, 37; Nays, 11; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Conway, Delvin, Eide, Ericksen, Fain, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Litzow, Morton, Parlette, Pflug, Pridemore, Ranker, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker and Zarelli

Voting nay: Senators Chase, Fraser, Hill, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Regala, Tom and White

Excused: Senator Prentice

SUBSTITUTE SENATE BILL NO. 5356, 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 3:51 p.m., on motion of Senator Eide, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 4:12 p.m. by President Owen.

SECOND READING

SENATE BILL NO. 5487, by Senators Schoesler, Hatfield, Hobbs, Delvin, Honeyford, Becker and Shin

Establishing a certification program for commercial egg laying chicken operations. Revised for 1st Substitute: Regarding eggs and egg products in intrastate commerce.

MOTIONS

On motion of Senator Schoesler, Substitute Senate Bill No. 5487 was substituted for Senate Bill No. 5487 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Schoesler, the rules were suspended, Substitute Senate Bill No. 5487 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Schoesler spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5487.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5487 and the bill passed the Senate by the following vote: Yeas, 34; Nays, 13; Absent, 1; Excused, 1.

Voting yea: Senators Baumgartner, Becker, Benton, Carrell, Conway, Delvin, Eide, Ericksen, Fain, Hargrove, Harper, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Kilmer, King, Litzow, Morton, Parlette, Pflug, Pridemore, Roach, Rockefeller, Schoesler, Sheldon, Shin, Stevens, Swecker and Zarelli

Voting nay: Senators Brown, Chase, Fraser, Keiser, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Ranker, Regala, Tom and White

Absent: Senator Baxter

Excused: Senator Prentice

SUBSTITUTE SENATE BILL NO. 5487, 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.

STATEMENT FOR THE JOURNAL

On Monday March 7, 2011 I was called away from the floor to discuss issues with a constituent and inadvertently missed the vote on Substitute Senate Bill No. 5487. For the record, I would have voted yes.

SENATOR BAXTER, 4th LEGISLATIVE DISTRICT

MOTION

On motion of Senator Delvin, Senator Baxter was excused.

SECOND READING

SENATE BILL NO. 5676, by Senators Kastama, Holmquist Newbry and Shin

Concerning projects of statewide significance for economic development.

MOTIONS

On motion of Senator Kastama, Substitute Senate Bill No. 5676 was substituted for Senate Bill No. 5676 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Kastama, the rules were suspended, Substitute Senate Bill No. 5676 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Kastama and Holmquist Newbry spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5676.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5676 and the bill passed the Senate by the following vote: Yeas, 37; Nays, 11; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Brown, Carrell, Conway, Delvin, Eide, Ericksen, Fain, Hatfield, Haugen, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Kastama, Keiser, Kilmer, King, Kline, McAuliffe, Morton, Parlette, Pflug, Pridemore, Regala, Roach, Schoesler, Sheldon, Shin, Stevens, Swecker, Tom and Zarelli

Voting nay: Senators Chase, Fraser, Hargrove, Harper, Kohl-Welles, Litzow, Murray, Nelson, Ranker, Rockefeller and White

Excused: Senator Prentice

SUBSTITUTE SENATE BILL NO. 5676, 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

SENATE BILL NO. 5497, by Senators Sheldon, Pflug and Carrell

Requiring the removal of a mobile home, manufactured home, or park model from a mobile home park by a secured party after default.

The measure was read the second time.

MOTION

On motion of Senator Sheldon, the rules were suspended, Senate Bill No. 5497 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Sheldon spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5497.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5497 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

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

Excused: Senator Prentice

SENATE BILL NO. 5497, 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

SENATE BILL NO. 5519, by Senators Tom, Hill, Kilmer and Shin

Changing public contracting authority.

MOTIONS

On motion of Senator Tom, Substitute Senate Bill No. 5519 was substituted for Senate Bill No. 5519 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Tom, the rules were suspended, Substitute Senate Bill No. 5519 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Tom spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5519.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5519 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

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

Excused: Senator Prentice

SUBSTITUTE SENATE BILL NO. 5519, 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

SENATE BILL NO. 5098, by Senators Carrell and Chase

Exempting personal information of minors in parks and recreation programs from public inspection and copying. Revised for 1st Substitute: Exempting personal information from public inspection and copying.

MOTION

On motion of Senator Carrell, Substitute Senate Bill No. 5098 was substituted for Senate Bill No. 5098 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Carrell moved that the following amendment by Senator Carrell be adopted:

On page 1, line 12, after "in" strike "a" and insert "an agency or"

On page 1, line 12, after "to," insert "early learning or child care services."

WITHDRAWAL OF AMENDMENT

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On motion of Senator Carrell, the amendment by Senator Carrell on page 1, line 12 to Substitute Senate Bill No. 5098 was withdrawn.

MOTION

Senator Nelson moved that the following amendment by Senator Nelson be adopted:

On page 1, beginning on line 12, insert "in an agency or"

On page 1, line 12, after "'to," insert "early learning or child care services."

Remember the remaining sections consecutively and correct any internal references accordingly.

Senator Nelson spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Nelson on page 1, line 12 to Substitute Senate Bill No. 5098.

The motion by Senator Nelson carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Carrell, the rules were suspended, Engrossed Substitute Senate Bill No. 5098 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Carrell spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5098.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5098 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

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

Voting nay: Senator Holmquist Newbry

Excused: Senator Prentice

ENGROSSED SUBSTITUTE SENATE BILL NO. 5098, 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

SENATE BILL NO. 5169, by Senators Rockefeller, Kilmer and Shin

Encouraging economic development by exempting certain counties from the forest land compensating tax.

The measure was read the second time.

MOTION

Senator Fraser moved that the following amendment by Senators Fraser and Rockefeller be adopted:

On page 8, beginning on line 20, after "population" strike all material through "management" on line 23 and insert "of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010"

On page 9, beginning on line 30, after "population" strike all material through "management" on line 33 and insert "of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010"

Senator Fraser spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senators Fraser and Rockefeller on page 8, line 20 to Senate Bill No. 5169.

The motion by Senator Fraser carried and the amendment was adopted by voice vote.

MOTION

On motion of Senator Rockefeller, the rules were suspended, Engrossed Senate Bill No. 5169 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Rockefeller spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5169.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5169 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

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

Excused: Senator Prentice

ENGROSSED SENATE BILL NO. 5169, 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

Senator Eide moved that the Senate immediately consider Senate Bill No. 5442.

The President declared the question before the Senate to be the motion by Senator Eide that the Senate immediately consider Senate Bill No. 5442.

The motion by Senator Eide carried and Senate Bill 5442 was scheduled for immediate consideration by a voice vote.

MOTION

Senator Schoesler moved that, pursuant to Senate Rule 18, that Senate Bill No. 5407 be the special order of business for 4:55 p.m.

The President declared the question before the Senate to be the motion by Senator Schoesler that Senate Bill No. 5407 be made a special order of business for 4:55 p.m.

Senator Eide spoke against the motion.

Senator Eide demanded a roll call vote.

The President declared that at least one-sixth of the Senate joined the demand and the demand was sustained.

The Secretary called the roll on the motion by Senator Schoesler and the motion did not carry by the following vote: Yeas, 23; Nays, 25; Absent, 1; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Delvin, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Litzow, Morton, Parlette, Pflug, Roach, Schoesler, Sheldon, Stevens, Swecker and Zarelli

Voting nay: Senators Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Haugen, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Prentice, Pridemore, Ranker, Regala, Rockefeller, Shin, Tom and White

Absent: Senator Hatfield

MOTION

Senator Schoesler moved that, pursuant to Senate Rule 18, that Senate Bill No. 5547 be made a special order of business for 4:59 p.m.

The President declares the question before the Senate to be the motion by Senator Schoesler that Senate Bill No. 5547 be made a special order of business for 4:59 p.m.

Senator Eide spoke against the motion.

MOTION

Senator Eide demanded a roll call vote.

The President declared that at least one-sixth of the Senate joined the demand and the demand was sustained.

The Secretary called the roll on the motion by Senator Schoesler and the motion did not carry by the following vote: Yeas, 23; Nays, 25; Absent, 1; Excused, 0.

Voting yea: Senators Baumgartner, Baxter, Becker, Benton, Carrell, Delvin, Ericksen, Fain, Hewitt, Hill, Holmquist Newbry, Honeyford, King, Litzow, Morton, Parlette, Pflug, Roach, Schoesler, Sheldon, Stevens, Swecker and Zarelli

Voting nay: Senators Brown, Chase, Conway, Eide, Fraser, Hargrove, Harper, Haugen, Hobbs, Kastama, Keiser, Kilmer, Kline, Kohl-Welles, McAuliffe, Murray, Nelson, Prentice, Pridemore, Ranker, Regala, Rockefeller, Shin, Tom and White

Absent: Senator Hatfield

SECOND READING

SENATE BILL NO. 5442, by Senators Shin, Tom, Kilmer, White and Chase

Requiring the development of accelerated baccalaureate programs at state colleges and universities. Revised for 1st Substitute: Requiring the development of three-year baccalaureate programs.

POINT OF ORDER

Senator Zarelli: "Senate Bill No. 5442 was not taken up before the cut off. Is it now properly before us?"

REPLY BY THE PRESIDENT

President Owen: "Senator Zarelli, you had made a motion which the body supported, the majority of the body supported to immediately consider that bill. The President does not believe that your motions to go to other orders can interfere with that so he believes that the bill was appropriately before us at that time and therefore it is appropriately before us now because you are allowed to finish a bill that is started prior to five o'clock."

MOTIONS

On motion of Senator Shin, Substitute Senate Bill No. 5442 was substituted for Senate Bill No. 5442 and the substitute bill was placed on the second reading and read the second time.

On motion of Senator Shin, the rules were suspended, Substitute Senate Bill No. 5442 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Shin and Hill spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5442.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5442 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 3; Absent, 0; Excused, 0.

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

Voting nay: Senators Baxter, Carrell and Pflug

SUBSTITUTE SENATE BILL NO. 5442, 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 5:08 p.m., on motion of Senator Eide, the Senate adjourned until 12:00 noon, Tuesday, March 8, 2011.

BRAD OWEN, President of the Senate

THOMAS HOEMANN, Secretary of the Senate

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